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ABSTRACT

This report examines the role of private higher education in meeting public purposes, considers how state policies affect this role, and presents actual and potential trends. Also, the report warns of serious causes for concern and presents recommendations that include preventive measures deserving early consideration. Sections of the report include discussions of the contributions made by private higher education to educational quality and to state and national interests; and the causes for concern for private higher education in areas such as enrollment, affordability, tuition, and governance. Also examined are the components of state policies that affect the financial environment in which private higher educational institutions must function. These policy components involve the recognition of the private sector in statewide planning, student subsidy policies, availability of specific grants or contracts, the availability of general purpose direct funding, and state tax policies. The report's final section contains recommendations to the states, the Educational Commission of the States, the Federal Government, and to the institutions of higher education (private and public) that are designed to enhance the higher educational system of the United States. Appendices include tables of enrollment statistics for U.S. institutions of higher education, and a summary of previous reports on state policy and private higher education. (GLR)

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THE PRESERVATION OF EXCELLENCE IN AMERICAN HIGHER EDUCATION:



THE ESSENTIAL ROLE OF PRIVATE COLLEGES AND UNIVERSITIES

REPORT OF THE COMMISSION
ON THE STATE POLICY AND INDEPENDENT
HIGHER EDUCATION

John Ashcroft and Clark Kerr,
Chairmen

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THE ESSENTIAL ROLE OF
PRIVATE COLLEGES AND
UNIVERSITIES

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Sponsored by the
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1990

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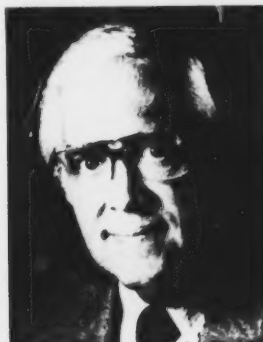
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THE
PRESERVATION OF
EXCELLENCE

1

The private sector of higher education in the United States has always been and is now a great national asset.

The private sector of higher education in the United States has always been and is now a great national asset. It has been a major force in setting the pattern for all of higher education as the best system in the world — a productive combination of diversity, of dynamic change, of high quality, of institutional autonomy, of academic freedom, of attention to the individual student. But we, members of the Task Force on State Policy and Independent Higher Education, have serious concerns for the strength of the private sector should current trends and policies continue.

The purposes of this report are to examine the role of private higher education in meeting public purposes, to consider how state policies affect this role and to make recommendations based on our observations. Our findings warn of serious causes for concern, and our recommendations include preventive measures that deserve early consideration.

The task force believes that we, as a nation, need to preserve and even improve the whole American system of higher education. That system has provided:

- Greater opportunity to enter higher education than in any other nation in the world.

- More diversity of choice for students.

- The highest international level of research and Ph.D. training in an economy where 40% of the increase in output per person employed is due to advances in knowledge.

- Responsiveness to the changing demands of the labor market in which advanced-level education and training is particularly important to that 20% of increased output per worker due to education in all its forms.

- A nation of well-educated people that has a major role in guiding the destiny of the world of the future.

- A quality of life for many individuals that is closely related to the quality of the educational system.

We see, however, several developments that threaten to erode our system of higher education:

- We have already experienced a diminished role for the private sector which historically has strongly established the tone of the entire system. Since 1950, the private sector's share of all enrollments has decreased from 50% to 22%.

— We see threats to the continuing fiscal health of the private sector.

— We find also that the closely related independence of the public sector and of its campus-based governance is eroding.

We recognize that each state's policies arise from its unique history, traditions and needs. No one model will fit every state. However, we conclude that any weakening of the private sector or of the independence of the public sector, or both, threatens to place the American system of higher education at risk.

This report addresses these actual and potential trends, suggests some solutions and makes recommendations for public policies that will enhance the opportunity for the private sector to serve as a vital part of an excellent system of higher education for the nation. We now have such a system; the challenge is to preserve it.

*Our findings warn of
serious causes for con-
cern.*

TRANSITION OF
STATE POLICY AND
INDEPENDENT
HIGHER EDUCATION

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In July 1987, the Education Commission of the States (ECS), under the chairmanship of Governor John Ashcroft of Missouri, convened the Task Force on State Policy and Independent Higher Education. The group was co-chaired by Ashcroft and Clark Kerr, president emeritus of the University of California.

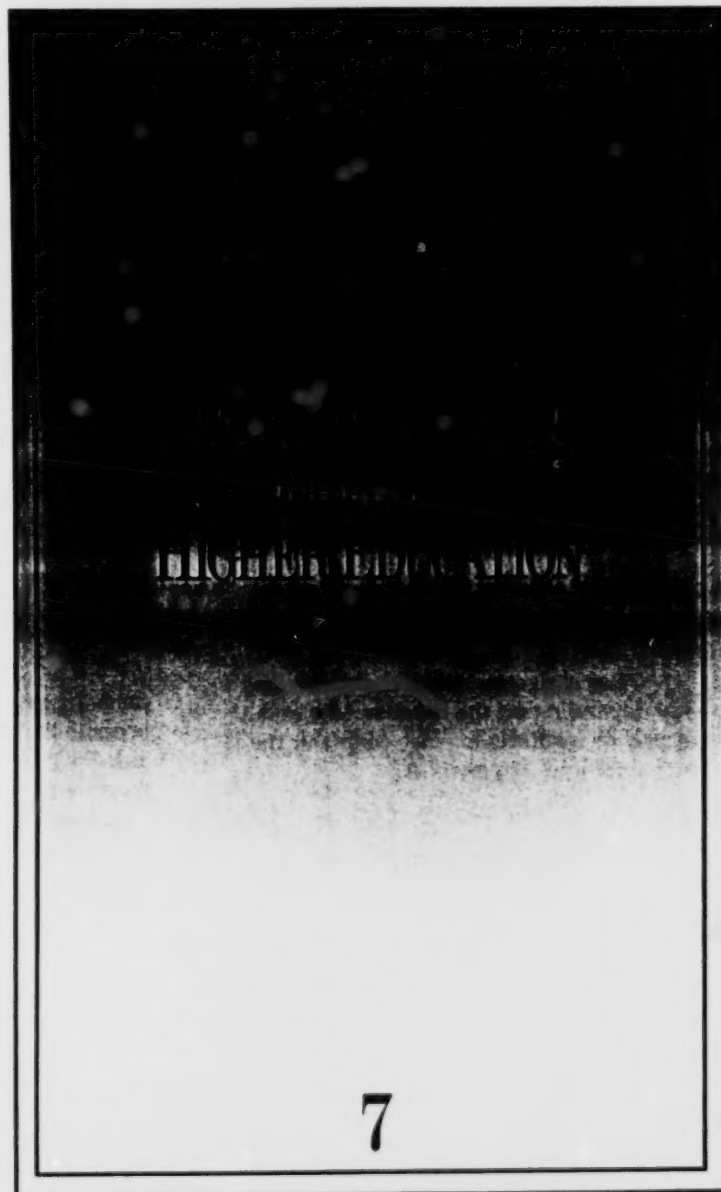
The group received the following charge:

- To develop a consensus regarding principles that should guide state relations with the private sector of higher education in the next decade
- To develop broader awareness and understanding of the ways that private colleges and universities contribute to public policy objectives
- To develop a factual base for understanding the current status of private colleges and universities, and the effects upon the private sector of state policies for planning, finance and accountability
- To recommend state policy alternatives that will contribute to the continued vitality of the independent sector and its capacity to serve public policy objectives

The task force met several times, commissioned a series of technical reports from experts on a variety of aspects of state policies and private higher education, convened regional forums throughout the country to gather the views of concerned educators and citizens, and now has completed this report outlining its findings and recommendations.

A series of supplementary monographs, based on the experts' reports to the task force, will be published by ECS (see Appendix B).

The task force and ECS wish to acknowledge, with thanks, the financial support of the Lilly Endowment, Inc. and the AT&T Foundation.



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The 1,600 private nonprofit colleges and universities are a vital contributor to the capacity of the higher education system to respond to pressing demands.

Private institutions serve students from a wide range of income levels.

The 1,600 private nonprofit colleges and universities in the United States contribute in concrete, measurable ways to the social, cultural and economic life of the nation and the states in which they are located.¹ Making up 55% of all colleges and universities, these institutions offer diverse opportunities to 2.6 million students. They are a vital contributor to the capacity of the higher education system to respond to pressing demands for an educated work force and for research and technology. They stimulate independence, autonomy and diversity in all of higher education. And by serving important public purposes, largely with private resources, they provide a valuable and financially prudent service to the state and nation.

For each state, these contributions differ greatly depending on the number, size and missions of private institutions. (See Map 1 at the end of this chapter and Appendix A.)

Access, Choice and Opportunities for Students

The students who attend private institutions choose among a far richer array of institutions than is available, or even possible, in the public sector. The range of missions of private institutions is extraordinary: liberal arts colleges, comprehensive colleges and universities, research

universities, two-year colleges, historically black colleges, women's colleges, church-related colleges, seminaries, rabbinical schools, Bible colleges, separately established schools of law, medicine, engineering and business, Native-American colleges, teacher colleges, and institutes of art, design, music and architecture.^{2,3}

— Overall, private and public institutions enroll essentially the same proportion of minority students, although Hispanic students enroll in public institutions (particularly community colleges) at a slightly higher rate.⁴ Private institutions historically have led the nation in educating minorities. In 1987, about 56 of 99 historically black institutions were private.⁵

— Private institutions also serve students from a wide range of income levels, in part because they invest substantial dollars in student aid. In 1988-89, private institutions provided, from their own resources, \$2.6 billion in undergraduate financial assistance — up from \$1.2 billion (adjusted for inflation) in 1970-71, or a 102% increase.⁶ It is estimated that \$2 billion of this \$2.6 billion was based on need.

The 1986 median family income of students at private colleges was quite similar to that of students at public institutions — only \$2,000 more. Moreover, based on studies conducted in states with detailed data, there is evidence that family incomes of students attending a flagship state university campus frequently are higher than at comparable independent colleges and universities.⁷

— Ninety-five percent of the nation's 600 liberal arts colleges — undergraduate institutions that offer more than half their degrees in arts and science fields — are private nonprofit institutions.⁸

— Almost 800 private colleges and universities have a religious affiliation,⁹ and many others also emphasize ethical values. For students who see higher education and their religious concerns as intertwined, private colleges and universities are essential, not optional. Catholic colleges, numbering 250 institutions, have, among other contributions, provided a special welcoming environment to generations of children of Catholic families; the "Christ-centered" Protestant colleges (about 125), including members of the Christian College Coalition, have done the same for children of families with this religious persuasion. And the more than 400 colleges and universities affiliated with "mainline" Protestant denominations have led, from the nation's earliest days, in providing values-driven liberal arts education.

— All but two of the 200 single-sex colleges in the nation are private.¹⁰

— Small size is an advantage that many private colleges offer students.

Of those colleges that enroll fewer than 1,000 students, 85% are private, whereas of those institutions that have more than 10,000 students, 90% are public.¹¹ Many private colleges also

provide to the small communities in which they are located the only source of advanced education and cultural programs.

— Private institutions are major providers of opportunities in graduate and professional fields. In many areas of the nation, whether urban or rural, they are the principal source of further professional education for adults. Nationally, private institutions enroll 33% of all graduate students,¹² grant 60% of all first professional degrees and award 36% of all Ph.Ds.¹³ In state after state, private institutions are key providers of graduate programs in fields such as education and business administration.¹⁴

These facts demonstrate some of the historic and current contributions and commitments of private colleges and universities to provide a wide variety of educational experiences and opportunities to the nation's youth and adults (see Chart 1 at the end of this chapter).

Responsiveness to Society's Demands

Private institutions respond swiftly to changing societal needs and to new clienteles. They tailor programs to meet local conditions, shift resources without having to consult through several layers of boards or commissions and concentrate on specific population groups.

For students who see higher education and their religious concerns as intertwined, private colleges and universities are essential, not optional.

Private institutions are major providers of opportunities in graduate and professional fields.

— As the need for more and better-trained teachers grows more urgent, the capacity of private institutions to train teachers gains significance. Private institutions, with 22% of students overall, grant 28% of all bachelor's degrees, 26% of all master's degrees and 38% of all doctorates in education.¹⁵

— Private colleges also represent a vital source of new faculty members at a time when the nation faces a massive turnover of the academic professorate in the mid-1990s and beyond. Private institutions have an exemplary record of producing graduates who eventually receive Ph.Ds: 63 of the 68 institutions that produce the most Ph.Ds, on a per-capita basis, are private institutions.¹⁶

— Research universities are widely recognized as indispensable elements of the nation's capacity to compete in the world economy. Of the 104 major research universities in the nation, 33 are private.¹⁷

Stimulation of Autonomy, Diversity and Innovation

— One of the most important, yet frequently unrecognized, contributions of the private sector is the example it provides for the autonomy and independence of institutions in the public

sector. The lay board of trustees at the campus level, the principal governance feature of private colleges and universities, has served as the model for the governance of public universities throughout the history of the United States.

However, in this century, many states have abolished campus boards and consolidated public institutions into larger statewide systems. Today, more than 6.5 million students (out of 9.5 million students in public institutions) attend campuses that are parts of multicampus systems governed by central boards sometimes far removed from those campuses. And yet the campus is the natural unit of affiliation and governance. In contrast, nearly every private campus still has its own independent board of trustees.¹⁸

By virtue of their independent governance, private institutions are better able to do what public institutions often find it difficult to do: challenge the norms, innovate, reach out to new areas of service, advocate fundamental values abandoned elsewhere and take risks for the sake of improvement. Because of this, private colleges and universities are invaluable resources for states interested in seeking improvements in minority achievement, new approaches to teacher education, unique ways to employ electronic technology for training and reaching underserved populations. They also provide means to achieve breakthroughs in technology transfer for economic development.

Private institutions also set high standards for teaching and for attention to the welfare of the individual student, provide standards for judging the costs of public institutions and establish models of academic freedom.

Overall, private institutions encourage the continuance and further development of a total system that is more competitive, more diverse, more dynamic, more cost effective and of higher quality than it otherwise would be.

Conservation of Public Resources

While American society has benefited greatly from private higher education, it has not had to bear most of the cost. If the nation's public institutions were to assume responsibility for educating the students now attending private colleges and universities, the additional burden for taxpayers would exceed \$12 billion annually.¹⁹ States facing population growth over the next decade will confront a rising demand for higher education. To meet this demand, they may wish to consider using more fully the existing capacity of private institutions or encouraging expansion of this capacity. Either option would require fewer public resources than a similar expansion of the public sector.

In sum, private institutions make an important, even irreplaceable, contribution to what Harvard University President Derek Bok describes as an American higher education system that has the world's respect:

Most knowledgeable observers . . . believe that our colleges and universities surpass those of other industrialized countries in the capacity for first-rate research, the quality of professional education, the extent of innovation in instructional programs and the success achieved in opening higher education to the entire population with enough variety to meet the differing needs of a huge student population.²⁰

Our private colleges and universities are a key element in our nation's ability to "surpass" other industrialized nations in achieving these several goals.

Private institutions encourage a total system that is more competitive, more diverse, more dynamic, more cost effective and of higher quality than it otherwise would be.

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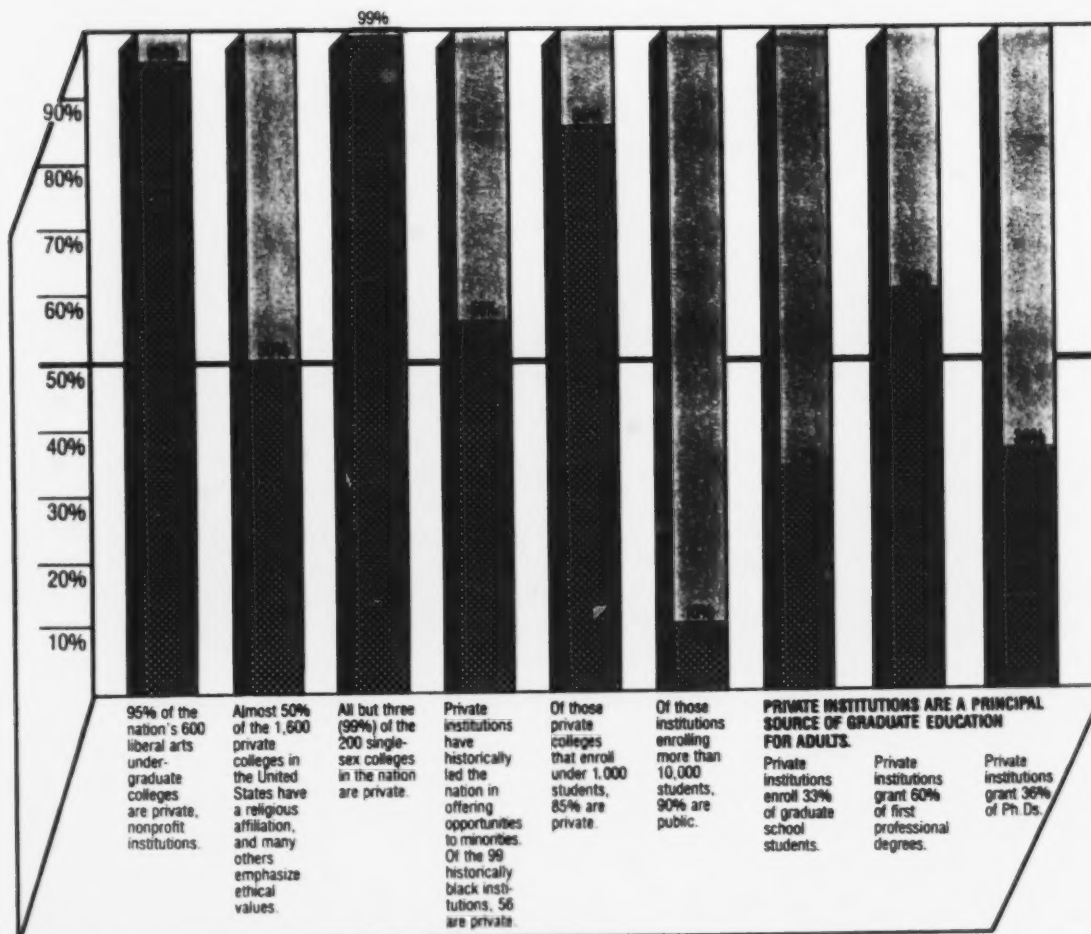
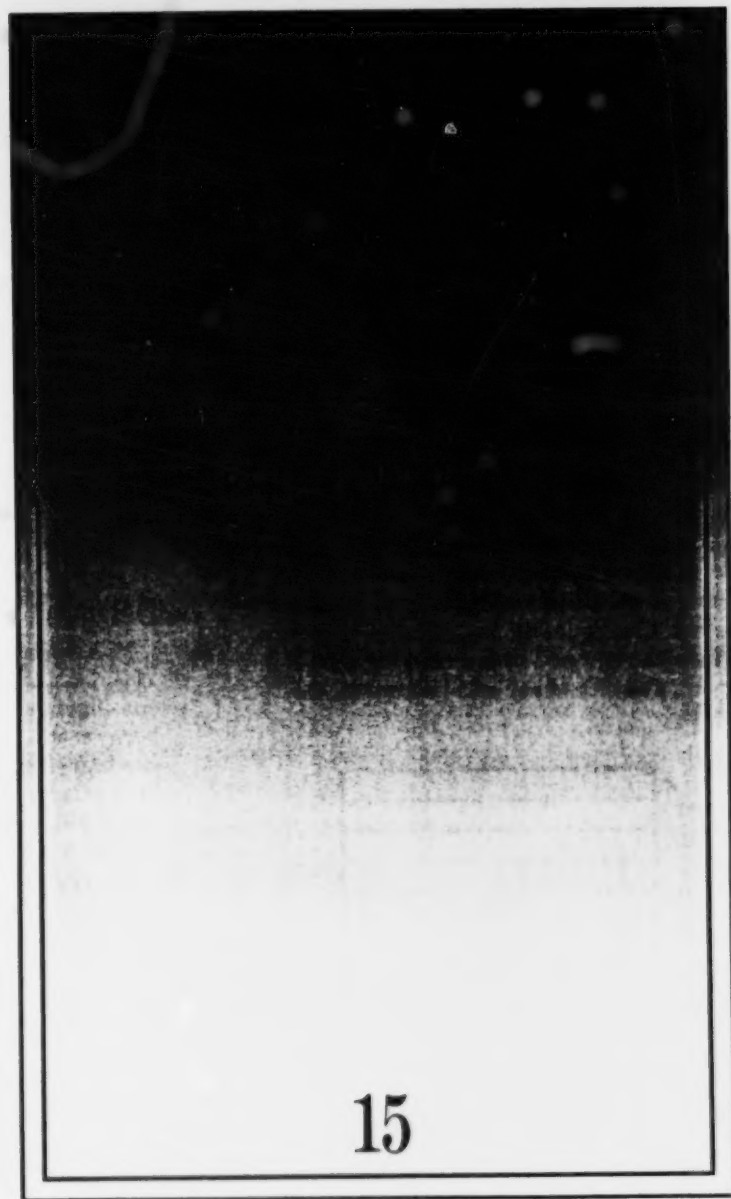


CHART 1: CONTRIBUTIONS OF PRIVATE INSTITUTIONS

Private

Public



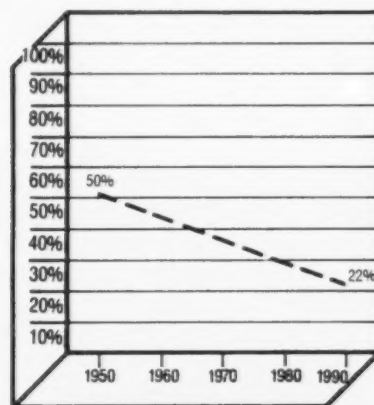
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e have noted the high quality of the American system of higher education in general and the many contributions to this quality made by the private sector. We have, however, several concerns about the future.

The Declining Enrollment Share of Private Higher Education

_____ The trend line in distribution of enrollments shows a substantial reduction in the historic role of the private sector within all of higher education. Consequently, its influence is reduced, both in its own right and as a model for, as a competitor with, and as a check and balance to, the public sector.



CHANGING PERCENT OF ENROLLMENTS IN PRIVATE INSTITUTIONS

Source: American Council on Education 1989-90 Fact Book on Higher Education (New York: Macmillan Publishing Co., 1989), Table 48, p. 49, for 1950 to 1987, and staff projection to 1990.

We believe that a further decline in the influence of the private sector would be detrimental because it would tend to reduce diversity, innovation and other positive features of the American higher education system. In particular, we believe that such a decline would be a detriment to the welfare of the public sector, both now and in the long run, because the autonomy and the academic freedom of public institutions are, in part, derived from the existence of a strong private sector.

Declining Diversity

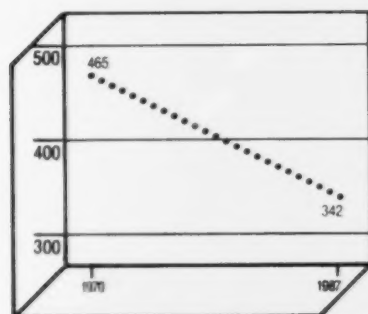
_____ The greatest impact of the declining enrollment share for private higher education has been on the most diverse segment of all in American higher education — the Liberal Arts Colleges II in the Carnegie Classification. These colleges numbered 550 in 1970 and 400 in 1987.²¹ Some disappeared, a few became Liberal Arts Colleges I and some, especially seminaries, are now classified as Theological Schools. But a large number became Comprehensive Colleges or Universities, adding new programs and clienteles in an effort to survive and prosper in an era of increasing financial pressure and declining numbers of students of traditional college age.²²

As such, they perform important educational and public services, but in becoming more like other colleges in their range of offerings,

The autonomy and the academic freedom of public institutions are in part derived from the existence of a strong private sector.

The greatest impact of the declining enrollment share for private higher education has been on the most diverse segment of all — Liberal Arts Colleges II.

many have lost their distinctive characteristics, some have undertaken programs which are not well integrated with their historic missions, and some have overextended themselves to the point where the quality of some programs suffers. Yet it is the Liberal Arts II institutions that provide the greatest diversity within American higher education and the most service to specialized segments of the American population. Total enrollments in these institutions fell by 30% from 1970 to 1987.



STUDENTS ENROLLED IN LIBERAL ARTS COLLEGES II (thousands)

Source: Carnegie Commission on Higher Education, *A Classification of Institutions of Higher Education*, Berkeley: Carnegie Foundation for Advancement of Teaching, pp. 49-55, 1973; and Carnegie Foundation for Advancement of Teaching, *A Classification of Institutions of Higher Education*, 1987 Edition, Princeton, N.J.: CFAT, 1987.

This group of institutions is the most threatened by any adverse economic developments. It is most at risk.

The Growing Problems of Affordability

Problems of affordability may serve to erode further the enrollment share of private higher education, particularly the Liberal Arts Colleges II.

Charges to students in private colleges and universities are rising sharply. Median family income is rising less rapidly (see Chart 2 at the end of this chapter).

There is a widespread public belief that tuition increases have been too great and too fast in both public and private institutions. Cost containment should become a much higher priority for all colleges and universities.²¹

We must realize that the cost of providing a given program is roughly the same in a private institution as in a public one. However, because private institutions do not receive subsidies from the state, they must charge higher tuition. Private institutions depend on tuition for about half of their revenues, compared to one-fifth for the state-subsidized public institutions. In addition, as noted below, high costs of need-based student aid are a major source of comparatively high rises in tuition costs at private institutions.

Cost containment should become a much higher priority for all colleges and universities.

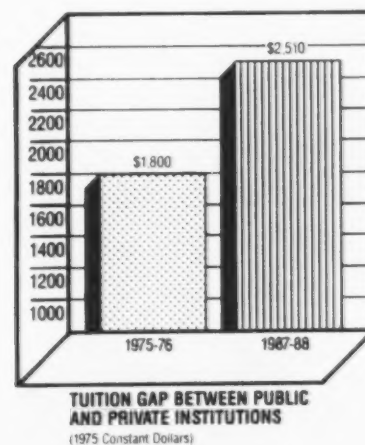
High costs of need-based student aid are a major source of comparatively high rises in tuition costs at private institutions.

The gap between public and private tuition is widening.

Private institutions now carry a burden from their own resources of \$2 billion per year for need-based student aid, and this burden is likely to keep on increasing unless federal policies are reversed.

The Increasing Gap Between Public and Private Tuition

The gap between public and private tuition is widening. In 1975-76, the gap was \$1,800 (based on average tuition at four-year private and public institutions). By 1987-88, it had reached \$5,300, an increase of 200% in current dollars and 40% (to \$2,510) in constant dollars.²⁴



Rising Costs for Student Aid

Private institutions now carry a burden from their own resources of \$2 billion per year for need-based student aid, and this burden is likely to keep on increasing unless federal policies are reversed.

Federal grant support based on need to students in private nonprofit institutions has deteriorated in constant as well as current dollars (see Chart 3 at the end of this chapter).

A higher proportion of this declining support now goes to proprietary institutions with less going to both private and public nonprofit institutions (see Chart 4 at the end of this chapter).

Private institutions are accommodating increasing numbers of underserved minority students, many of whom require financial aid in order to attend (see Table 1 at the end of this chapter).

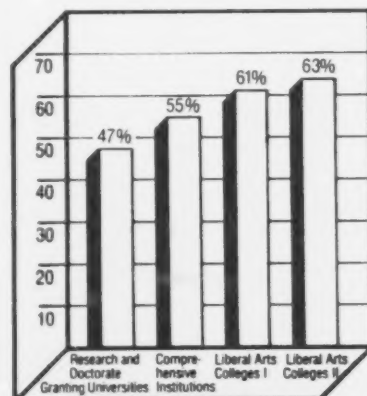
One clear explanation of the rise in tuition and fees in private institutions is the cost of institutionally provided grants²⁵ (see Chart 3 at the end of this chapter).

In almost one-fifth of the private colleges, 20% or more of educational and general expenditures goes to student aid,²⁶ and 70% of this

institutional aid comes from tuition revenue. If institutions fully seek to meet the needs for student aid, some will go bankrupt.

If they do not make a full effort, they will both fail their social duty and invite conflict on campus from those who support more equality of opportunity. Providing access has long been accepted as a public responsibility and should be financed with public funds.

The percentage of undergraduate students in private four-year institutions receiving institutionally funded student aid is now 47% in research and doctorate-granting universities, 55% in comprehensive institutions, 61% in Liberal Arts Colleges I and 63% in Liberal Arts Colleges II.²⁷



PERCENT OF STUDENTS AT PRIVATE INSTITUTIONS RECEIVING INSTITUTIONALLY PROVIDED AID

Source: National Institute of Independent Higher Education

The potential cost of public absorption of this public responsibility for need-based student aid would be about \$2 billion (out of the over \$2.6 billion total student aid by private institutions). Such absorption would particularly aid the Liberal Arts Colleges II which subsidize the highest proportion of students. This \$2 billion stands against the \$12 billion now saved taxpayers by the existence of the private sector.

State student aid also has picked up some of the increasing federal deficiency. It increased 105% (47% in constant dollars) from 1980-81 to 1988-89. The rate of growth is slowing, however, especially in need-based grant programs.

— In 1988-89, states awarded more than \$1.9 billion in grant aid to 1.7 million students, mostly on the basis of need. It is estimated that about one-half or \$900 million of this grant aid goes to students at private colleges and universities.

— The fastest increasing form of state aid, however, is awarded for merit or other special purposes such as encouraging students to enter teaching or nursing education. Such aid has increased 63% since 1983-84.

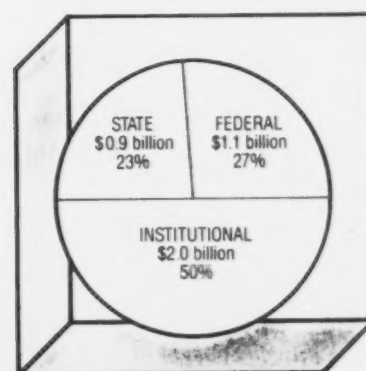
— Most of the state need-based aid (86%) is awarded by 14 states. Four states (California, Illinois, New York and Pennsylvania) award 53% of aid and another 10 states award another 33%.

If institutions fully seek to meet the need for student aid, some will go bankrupt.

Providing access has long been accepted as a public responsibility and should be financed with public funds.

Strong centralizing and consolidating forces, if they are not moderated, will lead both to increasingly controlled, rather than autonomous, public institutions and to more controls potentially over private institutions as well.

Looking at the major sources of the \$4 billion in need-based student grants to students at private institutions, the institutions themselves provide one-half of all aid, about twice that provided by either the federal or state governments.



SHARES OF RESPONSIBILITY FOR NEED-BASED GRANTS TO STUDENTS AT PRIVATE INSTITUTIONS, 1987

Source: National Institute of Independent Colleges and Universities. See Table 1.

Additional Increasing Burdens

Some very important additional burdens will be placed on higher education in the 1990s which the private sector, in many of its institutions, may find difficult to bear.

— A huge "underserved" population of low-income and/or minority students will require increased support at great cost.²⁸

— Substantial effort also will be required to raise educational levels of the labor force as employment in scientific, professional, administrative and technical occupations rises from 25% to 30% of the labor force in a single decade.²⁹

— Buildings and other facilities will require a \$60-billion investment in renovation and replacement in the 1990s.³⁰ At least one-quarter of this total will be in the private sector.

Centralization of Governance

The task force also is concerned that strong centralizing and consolidating forces are at work in higher education. These forces, if they are not moderated, will lead both to increasingly controlled, rather than autonomous, public institutions and to more controls potentially over private institutions as well.

The general trend, in particular, is for more and more public institutions to become larger, more homogeneous, more centrally controlled. More than half of all students in higher education are on campuses within public multi-campus systems.³¹ Thus far, however, states have been restrained in their imposition of controls over private institutions which they support financially.

In Western Europe, and elsewhere in the world, a number of nations are trying to retreat from the negative costs of excessive centralization.³² Having eliminated their private institutions years ago through public funding and control, many nations now seek more independence and diversity for their public universities. Some are even encouraging the establishment of new private institutions. Kenneth Baker, secretary of state for education and science in Great Britain, stated at a conference at Lancaster University in England on January 5, 1989:

One of the great trends of the next quarter of a century will be our increasing integration into Western Europe and increasingly close links between our institutions of higher education. But I sense that we may face something of a choice between expansion on the lines so far followed in Western Europe and expansion along the patterns followed by our American cousins. And I would say that the diversity and flexibility so evident across the Atlantic represents the future toward which we in Britain — and, I hope, throughout Europe — will want to move.³³

We, in the United States, should be careful to preserve what the rest of the world so admires and seeks to emulate.

Equity

— A final major concern is that there should be reasonably equitable treatment among institutions that more or less equally serve important public purposes. Present policies divorce discussion of state policy for public institutions from discussion of policy toward private institutions, often resulting in differential treatment.

— There is an overall lack of coordination of tuition and student aid policy. States are in a position to pursue two goals: (a) to ensure that, through tuition policies, students attending public institutions pay a reasonable share of the cost of their college education, and (b) that through student aid policies, students have access to higher education and a reasonable ability to choose a private institution. No more than one-quarter of the states have policies that are designed to pursue these two goals consistently.

— The majority of states do not set tuition in public institutions on the basis of a policy outlining the expected shares of costs to be borne by students and their families.

We, in the United States, should be careful to preserve what the rest of the world so admires and seeks to emulate.

There should be reasonably equitable treatment among institutions that more or less equally serve important public purposes.

Because increases in federal aid, traditionally the primary source of portable aid, are unlikely, states should bear the burden of funding some opportunities for students to choose an out-of-state institution.

— Only 11 states allow undergraduates to use state aid at out-of-state institutions.³⁴ At a time when international trade and mobility of the work force are increasing, states are moving to restrict mobility of their own resident students. Because increases in federal aid, traditionally the primary source of portable aid, are unlikely, states should bear the burden of funding some opportunities for students to choose an out-of-state institution.

Without state action, mobility will be severely limited for all but the few students and families who can afford it.

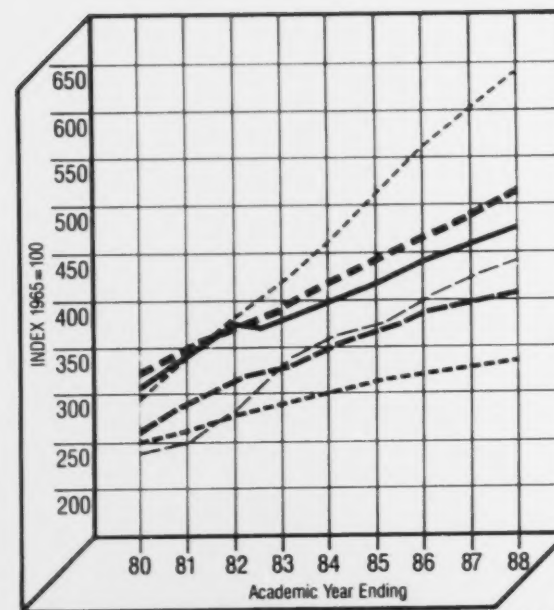


Chart 2: **COMPARISONS OF TRENDS IN PUBLIC AND PRIVATE TUITION, FAMILY INCOME, CONSUMER PRICES AND INFLATION IN INSTITUTIONAL COST, 1980-88**

----- Pvt Tuition
 - - - - - Higher Family Income
 _____ Median Family Income
 - - - - - HEPI
 _____ CPI
 - - - - - Public Tuition

Higher Family Income—
 Upper limit of income of
 families in the second to
 highest 20%
 HEPI — Higher Education
 Price Index
 CPI — Consumer Price Index
 Source: Kent Halstead,
Higher Education Tuition
 (Washington, D.C.: Research
 Associates of Washington,
 April 1989), p. 22; U.S. Bureau
 of the Census, Current
 Population Reports, Series
 P-60, No. 162, p. 42

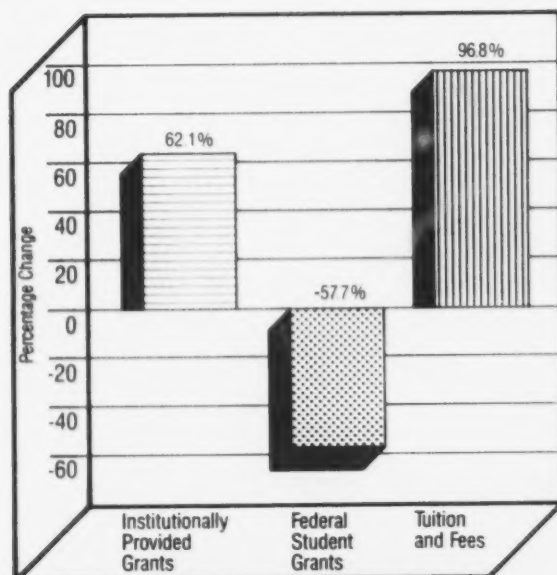


Chart 3: COMPARISON OF PERCENTAGE CHANGES IN TUITION WITH INSTITUTIONALLY PROVIDED GRANTS AND FEDERAL STUDENT GRANT ASSISTANCE FOR UNDERGRADUATES AT PRIVATE COLLEGES AND UNIVERSITIES 1980-81 TO 1987-88 (1987-88 Constant Dollars)

Notes: Federal grant assistance includes Title IV (Pell, SEOG, SSIG) and non-Title IV programs (e.g., Social Security, veterans benefits) to undergraduates at private colleges and universities.

Sources: Data on institutionally provided grants are from the National Institute of Independent Colleges and Universities (NIICU); data on federal grant assistance are from the U.S. Department of Education and other federal agencies; data on tuitions and fees are from the College Board. Analysis is by NIICU.

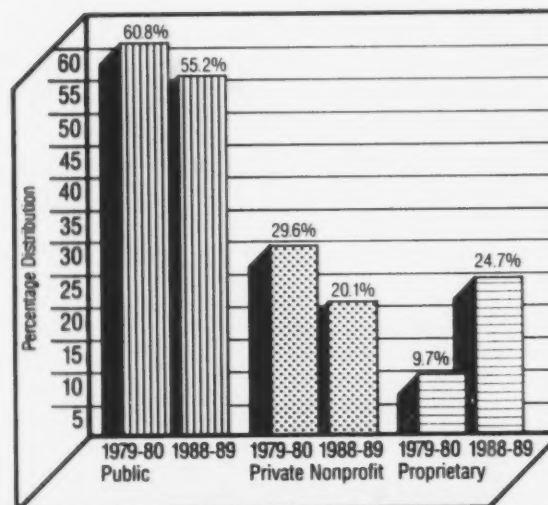


Chart 4: DISTRIBUTION OF PELL GRANT FUNDS BY INSTITUTIONAL CONTROL

Source: The U.S. Department of Education.

Table 1.

Changing Conditions for Need-Based Grant Aid to Students Attending Private Institutions of Higher Education, 1980-81 to 1987-88

(Grants in 1987-88 Constant Dollars)

	1980-81	1987-88
Federal Need-Based Grants to Undergraduates	\$2.604 billion	\$1.101 billion
— Per Recipient ^a	\$2,360	\$1,610
Institutionally Provided Grants To Undergraduates	\$1.015 billion	\$2 billion
— Per Recipient	\$960	\$1,670
Proportion of Pell Grant Funds Going to Proprietary Institutions	11.5%	26.6%
Number of Full-Time Equivalent Minority Students Enrolled in Private Institutions	349,000 ^b	379,000 ^c

Notes: ^a Data on federal need-based grants per recipient are estimates.

^b Fall 1982

^c Fall 1988

Source: National Institute of Independent Colleges and Universities

CURRENT
STATE POLICIES

25

Most states are the largest single source of funding for all of higher education.

State policy is critical to the strength of private nonprofit colleges and universities. States provide the legal framework for higher education, charter institutions, set minimum quality standards and provide preferred status under tax laws. Most important, states are the largest single source of funding for all of higher education — approximately 38% of the \$79 billion total (excluding income from sales and services), or \$30 billion in 1986.³⁵ How the states allocate this funding — to support public institutions and thereby make possible low public tuition, to fund state student aid programs in both public and private institutions and to fund grants to or contracts with private institutions — establishes the financial environment within which private institutions function.

Some states recognize the impact state policy has on the private sector and take deliberate steps to enhance private-sector contributions to public policy purposes. Other states do not. State policies vary dramatically, but almost two-thirds of the states traditionally have failed to recognize the private sector's contributions or have policies that are limited in scope. States vary in size and in demographic, economic and other conditions, and these factors affect public policy. The most important variables are intangible traditions and attitudes embedded in state constitutions and statutes, and in policy choices made over decades.^{36,37}

Components of State Policies

States employ five general kinds of policies that affect, either intentionally or unintentionally, the capacity of private colleges and universities to serve public purposes.

1. **Recognition in state planning and policy.** Some states involve representatives of the private sector in statewide planning and encompass all of the state's higher education resources — both public and private — in those plans. Policies related to public institutions are developed with a sensitivity to their impact on the private sector. In a few states, certain regulations, usually applicable only to public institutions (program approval, for example) are extended to private institutions.
2. **Student subsidy policies.** All states have some basic policies on helping students and families pay for higher education. Low public tuition, made possible by state subsidy, is the most common policy. Many states, however, also have one or more student aid programs for which students attending private colleges and universities are eligible. These include:

— Student grant programs with eligibility and grant amount determined by one or more of several criteria: financial need, the cost of attendance (tuition and other costs), academic

performance or work-force needs (e.g., teachers and nurses). The higher the grant maximum and the higher the income eligibility ceiling, the more the grant program affords students the opportunity to choose among institutions. The federal State Student Incentive Grant (SSIG) program has provided funding for state need-based aid programs on the condition that the states match the federal dollars at least on a one-for-one basis, but the Bush administration's FY 1991 budget proposed to phase out SSIG grants.

- Student loan programs, most often related to the federally guaranteed (Stafford) loan program.

- Work-study or community service programs.

- Tuition equalization programs to reduce the difference between the low, state-subsidized tuition rates in public institutions and the charges at private institutions. Some programs provide flat grants to any state resident attending an in-state private institution, while others have income-eligibility requirements.

3. **Specific purpose grants or contracts.** Many states have one or more programs that explicitly tap the resources of private colleges and universities to address state priorities and avoid costly

duplication through new programs at public institutions. Types of programs include:

- Support of health science and health professions programs (medicine, dentistry and nursing).

- Support of undergraduate and/or graduate programs in areas of state need such as education or engineering.

- Support of research and technology transfer related to state economic development. These programs include funding of partnerships between business and university research centers, including both public and private universities; eligibility of private universities for state matching funds for new research initiatives supported by nonstate sources; and capital financing for research facilities and equipment at private institutions.

- Support for endowed chairs at private colleges and universities.

- Eligibility of private colleges and universities to compete for state grants to improve undergraduate academic programs or to carry out innovation and reform in areas of critical need (e.g., teacher education).

- Support of private college initiatives to serve disadvantaged and minority students — outreach, guidance, counseling and support services.

Almost two-thirds of the states traditionally have failed to recognize the private sector's contributions or have policies that are limited in scope.

4. **General purpose institutional aid.** Six states (Illinois, Maryland, Michigan, New Jersey, New York and Pennsylvania) provide general purpose direct funding to private nonprofit colleges and universities. The aim of this aid is not to meet a specific need but to reflect the state's recognition that high quality and fiscal strength in the private sector are in the state's interest.
5. **State tax policies.** Almost all states provide basic property tax exemptions for both public and private nonprofit institutions. Also common are state sales tax exemptions on at least education-related purchases. If the state has an income tax, donations to colleges and universities are usually deductible, although some states set limits. At least 30 states allow private nonprofit colleges to benefit from the issuance of tax-exempt bonds for construction through state-chartered higher education financing authorities.³⁸

State Variations

Because of the great variations among the states, it is difficult to generalize about state policy and private higher education. To aid in deciphering this complexity, four categories are employed below to divide up the continuum from limited to extensive state recognition of private

institutions. These are shown in Chart 5 and Map 2 at the end of this chapter in relation to four of the five major types of state policies noted above. It is important to caution, however, that the number and names of states and the percentages of enrollments in each category are approximations and not definitive classifications of specific states. (See Appendix C for details of state programs.)

Category 1 - Minimal State Role.

Forty-four percent of the states (21 states and the District of Columbia), encompassing about 10% of the nation's total nonprofit private enrollment, have strong traditions of serving public purposes only through public colleges and universities rather than also utilizing private institutions for those purposes. Six of these states have three or fewer independent nonprofit institutions, and their small size and limited numbers mean that private institutions have minor political influence on state policy.

A few of these states have constitutional provisions prohibiting state funding of private entities. Few of these states involve the private sector in statewide planning, and most limit the responsibility of higher education governing or coordinating boards to public institutions. The principal state policy for aiding students in paying for college is low public tuition. Student aid programs in private institutions are limited, and only a few of these states match the federal SSIG program on more than the minimum one-for-one basis.

None of these states provides direct aid to private institutions, either for specific state priorities or for general purposes.

Category II - Limited State Role.

Twenty-two percent of the states (11), encompassing 17% of the total nonprofit private enrollment, make limited use of state policy to recognize the value of the private sector to the state higher education system. They do so, not by providing direct aid to private institutions, but by funding student aid programs (need-based grants, tuition equalization programs, etc.) for students who choose to attend a private college. Few, if any, of these states make decisions about public tuition on the basis of a consistent policy regarding the shares of higher education costs to be borne by students and their families. These states generally involve the private sector in statewide planning, but they do not involve private-sector representatives in setting the missions and reviewing potential program duplication by the public sector.

Category III - Moderate State Role.

Twenty-two percent of the states (11), encompassing about 34% of the total nonprofit private enrollment, use state policy deliberately to enhance the competitive position of private institutions. The principal policy tools to accomplish this are: explicit policies on how public tuition should be related to educational costs; policies on student aid that are designed to facilitate reasonable choice, including among private institutions; and programs providing

students with information on opportunities in both the public and private sectors. Because the private sector is seen as integral to the state's higher education system, private-sector representatives are generally involved in state planning. Some of these states use grants to or contracts with private institutions to advance specific state priorities, but limit or avoid general purpose grants.

Category IV - Major State Role.

Fourteen percent of the states (7), encompassing about 39% of the total nonprofit private enrollment, have long traditions of recognizing private higher education as integral to the state's higher education system. Interestingly, state culture and traditions appear to be more important in supporting these policies than the size of the private sector in most of these states. (Only two of these states have private-sector enrollments of 40% or more of total enrollments, and the percentages in the other five are under the national average of 22%.) First, all make extensive use of grants to and/or contracts with private institutions for special state priorities. Second, all but one of these states have a program of general institutional aid. And third, in most cases, the state plays an active role, through regulation, in issues of quality control and in curbing mission overlap and program duplication between the public and private sectors.

Chart 5.

Categories of State Policies Related to Private Nonprofit Colleges and Universities

Category and Percent of Private Enrollment	States in Category	Recognition of Private Institutions in State Planning and Policy	Inclusion of Private Institutions in Student Subsidy Policies	Specific Purpose Grants or Contracts to Private Institutions	General Purpose Direct Grants
I: Minimal state role 10% Tradition of serving public purposes only through public institutions	N = 22 (44% of States) Alaska Arizona Arkansas Colorado D.C.* Delaware Hawaii Idaho Louisiana Maine Mississippi Montana Nebraska Nevada New Hampshire New Mexico North Dakota Oklahoma Oregon South Dakota West Virginia Wyoming	Limited, if any, recognition	Relatively low public tuition. Limited student aid: minimum matching of SSIG, low grant maximums and low income ceilings.	None	None

Category and Percent of Private Enrollment	States in Category	Recognition of Private Institutions in State Planning and Policy	Inclusion of Private Institutions in Student Subsidy Policies	Specific Purpose Grants or Contracts to Private Institutions	General Purpose Direct Grants
II: Limited state role 17% Limited to moderate use of state policy to improve competitive position of private institutions. Limited state regulatory involvement.	N = 11 (22% of states) Alabama Georgia Kansas Kentucky Missouri North Carolina Texas Utah Vermont Virginia Washington	Moderate recognition in planning, but not in setting public missions and program review/approval	Student aid programs designed to provide reasonable choice; some tuition equalization programs.	Limited	None
III: Moderate state role 34% Deliberate use of state policy to improve competitive position of private institutions. Limited state regulatory involvement.	N = 11 (22% of States) Connecticut California Indiana Iowa Massachusetts Minnesota Ohio Rhode Island South Carolina Tennessee Wisconsin	Strong recognition in planning, but generally not in setting public missions and program review/approval.	Deliberate design of student aid programs to provide reasonable choice. Some tuition equalization programs. Some attention to tuition policy.	Some grants or contracts for specific state purposes.	Limited

Category and Percent of Private Enrollment	States in Category	Recognition of Private Institutions in State Planning and Policy	Inclusion of Private Institutions in Student Subsidy Policies	Specific Purpose Grants or Contracts to Private Institutions	General Purpose Direct Grants
IV: Major state role 39% Private institutions considered as integral to the state higher education system. Some state-related private institutions. Comprehensive student and institutional aid.	N = 7 (14% of states) Florida** Illinois Maryland Michigan New Jersey New York Pennsylvania	Extensive recognition. Impact on private institutions considered when setting public missions and program review/approval.	Extensive student aid programs designed to promote reasonable choice. Tuition policy related to student aid policy.	Extensive use of special purpose grants and contracts to use private institutions' capacity to serve public purposes.	Grants per degree granted, capitation and other bases.

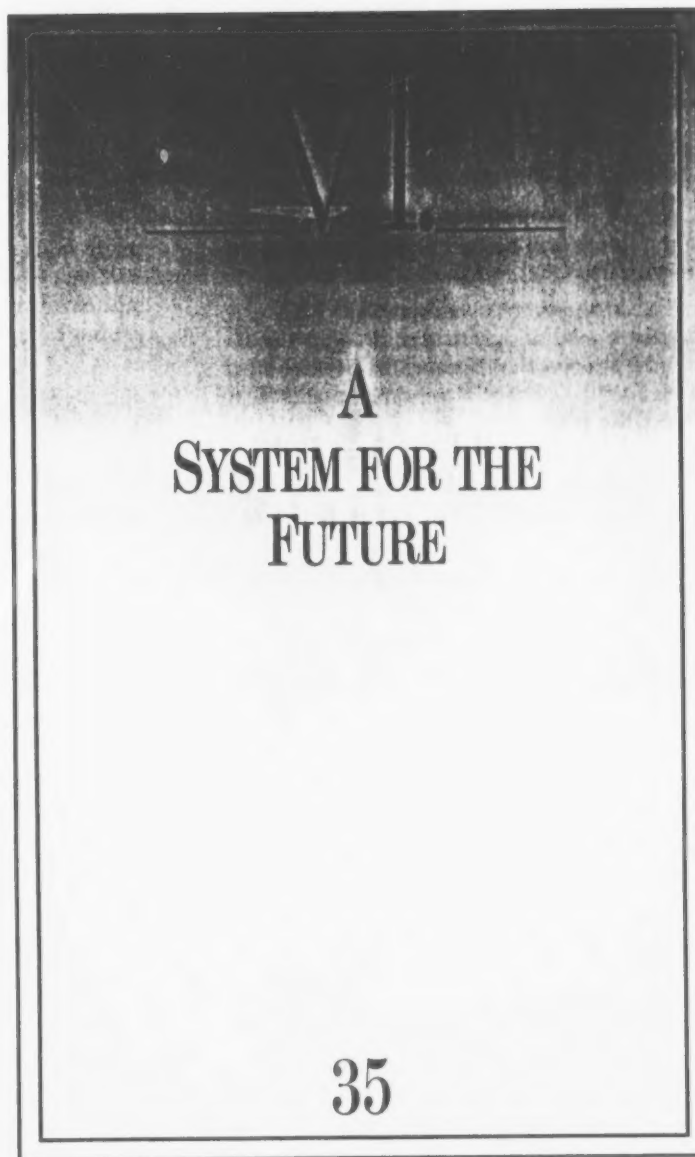
*The District of Columbia is counted as a state.

**Florida is the only one of this group that does not provide institutional aid to all private institutions in the state.



**Map 2. Categories of State Policies
Related To Private Nonprofit Colleges and Universities**

- | | | | |
|---------------------------------|--------------------------|-----------------------------------|--------------------------|
| Category I: Minimal state role | ☐ | Category III: Moderate state role | ☐ |
| Category II: Limited state role | ☐ | Category IV: Major state role | ☐ |



A
SYSTEM FOR THE
FUTURE

35

W

e believe that the United States in the future will be best served by a system of higher education that has these characteristics:

- Access for every qualified high school graduate who wishes to attend an institution of higher education within reasonable distance from home, with adequate financial resources available to make attendance possible.

- Highly diverse institutions among which students may choose, with their choices made reasonably possible among both private and public institutions.

- Wise use of taxpayers' money, utilizing available private resources and private institutions where that will increase total system efficiency and effectiveness.

- Institutions which, while varied in many other respects, are financially able to serve students from all income levels and are available to students from all racial, ethnic and religious backgrounds.

- Academic programs of great variety and high quality throughout.

- Institutions, both public and private, which are largely autonomous within their missions, competitive with each other, dynamic in their adjustments to social needs and free to innovate.

Such a system requires a substantial private sector, the welfare of which is considered carefully by the states along with that of the public sector.

RECOMMENDATIONS
FOR ACTION

37

To assure the system for the future just described, the task force makes the following recommendations:

To the States:

1. Recognize all colleges and universities within the state — both public and private — as integral to the state's capacity to meet higher education objectives. This recognition is fundamental to sound policy making.
2. Incorporate private institutions into policy making and policy review mechanisms at the state level.
3. Guard the autonomy of both public and private nonprofit colleges and universities and maintain a policy environment in which both sectors can adapt, innovate and compete effectively.
4. Utilize more fully the existing capacity of private institutions to serve public purposes. States experiencing enrollment growth may wish to consider encouraging expansion of this capacity.
5. Reassert the responsibility, shared with the federal government and higher education institutions, to provide all qualified students, as based on need, with financial support necessary for both access and choice among a broad range of private and public institutions.
6. Design all student financial-aid programs so that students at private nonprofit institutions are eligible. Such programs might include need-based student grants and loans and parental savings incentives.
7. Integrate state policies for helping students pay for college. Most states make separate decisions about levels of public tuition and fees and about student aid in both public and private institutions.
8. Make more student aid portable for use at out-of-state institutions. Each state should design at least some of its programs to assist students who wish to study out of state, for example, where adequate in-state opportunities do not exist.
9. Use contracts, competitive and incentive grants and other targeted financing strategies to enhance the capabilities of private nonprofit institutions to serve state needs. For example:
 - Contract with private institutions to develop new ways to educate teachers, to work

Over the last decade, institutions have assumed a disproportionately large share of this responsibility. One consequence has been that the cost of institutionally awarded student aid has become a major factor in rising tuition levels.

with public schools for school improvement, to improve minority participation and to establish service centers for at-risk youth or adults.

— Provide incentive funding to foster cooperation among public and private institutions serving the same area or similar types of students.

— Consider chartering and providing state start-up funding for new nonprofit colleges or universities, or branches of existing institutions, instead of establishing new public institutions to serve growing population centers.

— Consider adopting a special research funding program open to competitive proposals from faculty and research institutes in both private and public institutions. Such research might be closely related to state economic development objectives and involve, for example, medical, agricultural, engineering or veterinary schools.

10. Invite private nonprofit colleges and universities to participate in designing ways to monitor the effectiveness of the higher education system and to participate voluntarily in state programs to assess educational outcomes.

— Establish and report information on a finite number of widely accepted indicators of success of the higher education system — including both public and private nonprofit institutions. These should include critical issues

such as participation and achievement of minorities in higher education.

— Provide financial incentives for private nonprofit institutions to participate voluntarily in state programs to encourage assessment of student outcomes.

11. Monitor the condition of "at-risk" segments of the private sector, especially the Liberal Arts Colleges II, so that their survival may be made more likely when in the public interest.
12. Review policies for public-sector institutions that will maximize their competitive autonomy as through, for example, lump-sum grants or broad funding formulas and campus-level boards with authority over local issues.

The task force recognizes that each state's policies must fit unique needs, conditions, traditions and laws. No one model is applicable to all states. At the same time, all states should recognize the contributions that their private colleges make to important public purposes.

The states that most need to look at their higher education policies are those in Category I above ("minimal" state role with respect to the private sector).

The states that next need to look at their policies are those in Category II ("limited" state role). These two groups of states should review their policies, each in light of their unique

needs, and consider changes drawing on the range of alternatives and examples from other states.

States in Category III ("moderate" state role) should examine the details of their programs and the adequacy of their funding and consider strengthening them.

States in Category IV ("major" state role) clearly have practices that recognize private contributions and take them into account when making public policy. We commend these states for their remarkable restraint in not following lump-sum grants to institutions-as-such with the same controls they place on the public institutions which also receive such institutional grants. They apparently fully recognize the perils of advancing down this road.

We place highest priority, however, on need-based student aid programs since they advance equality of opportunity among all students and, at the same time, support the private sector by making choice for many students more financially feasible. The states are in the better position to provide tuition aid grants based on need, and the federal government to provide cost-of-attendance grant programs based on need and covering living and other non-tuition costs.

To the Education Commission of the States:

1. Develop a system of early warning signals of difficulties in the private sector. These should be based on monitoring measures such as:
 - Private tuition as a percentage of median family income
 - Ratio of private tuition to public tuition
 - Student financial aid as a percentage of private institutional budgets
 - Private sector shares of students and institutions.
2. Examine state policies and practices for institutional licensure in cooperation with the State Higher Education Executive Officers and the Council of Chief State School Officers and recommend model legislation, if needed. State licensure and regulation is a mere formality in most states, and accreditation agencies, by themselves, cannot monitor institutional quality standards and protect students' consumer rights in the proprietary sector. Addressing this problem will require a strengthening of all parts of what used to be referred to as "the triad" of state licensure and regulation, accreditation and federal regulations which go along with federal student aid.

In 1970, the Education Commission of the States developed model state legislation for institutional licensure. A number of states responded — most recently, California and Washington — and took a number of promising steps to utilize all elements of the triad. But many states ignored the model legislation, and the current situation requires a new look at this issue.

To the Federal Government:

1. Recognize that the greatest single imperative is to restore the growth of need-based student aid. The assurance of equality of opportunity is a national promise and responsibility which has been shared with states and with institutions of higher education.
2. Develop careful guidelines for programs involving proprietary institutions, covering such areas as authorization and quality of programs, protection of student consumer rights and repayment of loans.

To Institutions of Higher Education — Public and Private:

1. Work together to serve the welfare of all students, of the states and the nation, and of all of higher education.
2. Promote policies of access and choice for all qualified students.
3. Advocate policies that will ensure adequate levels of support for quality programs at all levels and in all sectors.
4. Contain costs of education, whether paid from public or private sources. (See, in particular, the suggestions of Howard Bowen referenced above — Note 23.)
5. Defend a strong and diverse private sector.
6. Support a strong and autonomous public sector.

VIII.

NOTES

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1. Only Wyoming does not have any private nonprofit institutions of higher education.
2. National Institute of Independent Colleges and Universities (NIICU), *Independent Higher Education: In Service to the Nation* (Washington, D.C.: NIICU, 1988), p. 12.
3. Throughout this report, the task force uses the classification of institutions by the Carnegie Foundation for the Advancement of Teaching (CFAT), 1987 edition. For simplicity, the text of the report combines several of the classifications as follows: research and doctorate-granting universities (including Research Universities I and II and Doctorate-Granting Universities I and II); comprehensive universities (including Comprehensive Universities and Colleges I and II); selective liberal arts colleges (Liberal Arts Colleges I); less selective liberal arts colleges (Liberal Arts Colleges II). The definitions of those and other Carnegie classifications are included in Appendix A to this report.
4. U.S. Department of Education, National Center for Education Statistics (NCES), *Digest of Education Statistics, 1989*, Table 174, p. 192.
5. NCES, *Digest*, Table 189, p. 211.
6. National Association of Independent Colleges and Universities (NAICU), *Independent Colleges and Universities: A National Profile* (Washington, D.C.: NAICU, 1989), p. 2.
7. *Ibid.*, p. 8. Analysis of data from U.S. Bureau of the Census, *Current Population Reports*, October 1986. In 1986, estimated median family income was \$34,000 for students in four-year public institutions and \$36,000 for students in four-year private institutions.
8. CFAT, *A Classification of Institutions of Higher Education*, 1987 edition (Princeton, N.J.: CFAT, 1987).
9. NCES, *Digest*, Table 197, p. 218.
10. *Ibid.*
11. NCES, *Digest*, Table 186, p. 203.
12. American Council on Education, *1989 Fact Book on Higher Education* (New York: Macmillan Publishing Company, 1989), Table 125, p. 125.
13. *Ibid.*, Table 129, p. 207.
14. William Zumeta and Kenneth C. Green, *State Policies and Independent Higher Education*, a paper prepared for the 1987 conference of the Association for the Study of Higher Education, p. 19.
15. NCES, *Digest*, Table 177, p. 213.
16. Carol H. Fuller, "Ph.D. Recipients," *Change Magazine* (November/December 1986), p. 43.
17. CFAT.

18. Clark Kerr and Marian Gade, *The Guardians: Boards of Trustees of American Colleges and Universities* (Washington, D.C.: Association of Governing Boards of Universities and Colleges [AGB], 1989), pp. 35, 37 and 115.
19. NAICU, *National Profile*, p. 2.
20. Derek Bok, "Toward Education of Quality," *Harvard Magazine* (May-June 1986), p. 52.
21. Carnegie Commission on Higher Education (CCHE), *A Classification of Institutions of Higher Education* (Berkeley, Calif.: CCHE, 1973); and CFAT.
In "Are We Losing Our Liberal Arts Colleges?" *College Board Review*, no. 156 (Summer 1990), pp. 16-21 and 29, David W. Breneman estimates that there are only about 83 colleges, not 400, in the Liberal Arts II category that are true liberal arts colleges. The remainder award 60% or more of their degrees in professional fields.
22. The net change in Liberal Arts II institutions between 1970 and 1987 was -145. However, some have been added in the interim as well as lost. There are about 240 Liberal Arts II colleges listed in the earlier Carnegie Classification that do not appear in that category in the 1987 Classification. Of those, about 10% have become Liberal Arts I colleges; 27% moved to Comprehensive II; 13% to Comprehensive I; 10% are now Specialized (mostly theological schools); and 1% became Doctoral-Granting institutions. About one-third have merged or disappeared, many of them small colleges affiliated with religious denominations or orders.
23. See, for example, the many excellent suggestions in Howard R. Bowen, *The Costs of Higher Education* (San Francisco: Jossey-Bass Publishers, 1980).
24. Staff calculations based on: 1975-76, *The States and Private Higher Education*, A Report of the Carnegie Council on Policy Studies in Higher Education (San Francisco: Jossey-Bass Publishers, 1977), Table 5; and 1987-88, *Chronicle of Higher Education Almanac*, (September 1, 1988).
25. Need-based student aid expenditures (\$2 billion) constitute about 12% of the total tuition income of private colleges and universities.
26. NIICU, *A Commitment to Access* (Washington, D.C.: NIICU, 1990), Figure 4.
27. *Ibid.*, Tables A-4, A-8, A-12 and A-16.
28. See the discussion in Arthur Levine and Associates, *Shaping Higher Education's Future* (San Francisco: Jossey-Bass Publishers, 1989).

29. See George Silvestri and John Lukasiewicz, "Projections of Occupational Employment," *Monthly Labor Review*, vol. 112, no. 11 (November 1989), pp. 42-65; and U.S. Department of Labor, *Employment and Earnings* (January 1990).
30. Sean C. Rush and Sandra L. Johnson, *The Decaying American Campus: A Ticking Time Bomb*, a joint report of the Association of Physical Plant Administrators of Universities and Colleges and the National Association of College and University Business Officers in cooperation with Coopers & Lybrand, 1989; and Henry H. Kaiser, *Crumbling Academe: Solving the Capital Renewal and Replacement Dilemma* (Washington, D.C.: AGB, 1984).
31. Kerr and Gade, *The Guardians*, Chapter 10.
32. Roger Geiger, *Private Sectors of Higher Education in Eight Countries* (Ann Arbor, Mich.: University of Michigan Press, 1985).
33. Kenneth Baker, secretary of state for education and science, "Higher Education: The Next 25 Years," conference at Lancaster University, January 5, 1989. [Offprint issued by the press office, Department of Education and Science, London, 1989.]
34. National Association of State Scholarship and Grant Programs, *21st Annual Survey Report*, 1989-90 Academic Year (Harrisburg: Pennsylvania Higher Education Assistance Agency, 1990), Table 12, pp. 64-73.
35. NCES, *Digest*, Table 269, p. 292. Major sources of current fund revenue for institutions of higher education in 1985-86 included:

Tuition and fees	\$23.1 billion
Federal government	12.7 "
State governments	29.9 "
Private gifts, grants and contracts	5.4 "
Local government	2.5 "
Endowment income	2.3 "
Other sources	3.2 "
Subtotal	79.1 "
Sales and services	21.3 "
Total	\$100.4 "
36. William Zumeta, *A Framework for Analysis of State Policy and Independent Higher Education*, ECS working paper, PS-88-8 (July 1988), p. 5. The categories employed in this report are based in part on the framework developed by Zumeta.
37. Data for this chapter are drawn primarily from William Zumeta, *State Policies and Independent Higher Education: A Technical Report*, ECS (December 1989).
38. *Ibid.*, pp. 38-41.

IX.

APPENDICES

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Appendix A

Number and Enrollment in U.S. Institutions of Higher Education,
by Control, Carnegie Classification and State

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
ALABAMA	Doctoral I & II	0	0	2	25,130	0.0
	Comprehensive I & II	3	7,583	10	39,833	16.0
	Liberal Arts I	1	1,572	0	0	100.0
	Liberal Arts II	9	5,897	2	2,543	69.9
	Two-Year	6	2,324	36	78,132	2.9
	Other*	6	691	3	3,428	16.8
	Total for Alabama	25	18,067	53	149,066	10.8
ALASKA	Comprehensive I & II	0	0	3	7,661	0.0
	Liberal Arts II	1	473	0	0	100.0
	Two-Year	0	0	9	6,233	0.0
	Other*	2	247	0	0	100.0
	Total for Alaska	3	720	12	13,894	4.9
ARIZONA	Research I & II	0	0	2	59,394	0.0
	Doctoral I & II	0	0	1	11,026	0.0
	Liberal Arts II	2	1,551	0	0	100.0
	Two-Year	1	327	15	63,239	5
	Other*	4	2,879	0	0	100.0
	Total for Arizona	7	4,757	18	133,659	3.4

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
ARKANSAS	Doctoral I & II	0	0	1	12.070	0.0
	Comprehensive I & II	1	1,245	8	31.832	3.8
	Liberal Arts I	1	1,028	0	0	100.0
	Liberal Arts II	6	3,010	0	0	100.0
	Two-Year	3	684	10	9,080	7.0
	Other*	1	225	1	1,192	15.9
	Total for Arkansas	12	6,192	20	54,174	10.3
CALIFORNIA	Research I & II	3	37,925	7	134,048	22.1
	Doctoral I & II	6	20,205	2	14,634	58.0
	Comprehensive I & II	14	49,726	19	253,804	16.4
	Liberal Arts I	6	5,883	0	0	100.0
	Liberal Arts II	17	9,327	0	0	100.0
	Two-Year	11	7,281	103	527,581	1.4
	Other*	73	25,380	3	3,545	87.7
	Total for California	130	155,727	134	933,612	14.3
COLORADO	Research I & II	0	0	2	39,701	0.0
	Doctoral I & II	1	5,436	2	11,415	32.3
	Comprehensive I & II	1	2,605	7	32,631	7.4
	Liberal Arts I	1	1,970	0	0	100.0
	Liberal Arts II	2	800	1	3,313	19.5
	Two-Year	5	3,041	15	28,112	9.8
	Other*	6	1,229	2	5,787	17.5
	Total for Colorado	16	15,081	29	120,959	11.1

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
CONNECTICUT	Research I & II	1	10,506	1	19,883	34.6
	Comprehensive I & II	6	21,409	4	24,796	46.3
	Liberal Arts I	3	6,679	0	0	100.0
	Liberal Arts II	3	1,476	1	238	86.1
	Two-Year	3	1,238	17	19,883	5.9
	Other*	7	2,280	2	1,344	62.9
	Total for Connecticut	23	43,588	25	66,144	39.7
DELAWARE	Research I & II	0	0	1	16,014	0.0
	Comprehensive I & II	0	0	1	1,851	0.0
	Liberal Arts II	2	1,543	0	0	100.0
	Two-Year	1	1,215	3	4,725	20.5
	Other*	2	1,908	0	0	100.0
	Total for Delaware	5	4,666	5	22,590	17.1
DISTRICT OF COLUMBIA	Research I & II	3	33,031	0	0	100.0
	Doctoral I & II	2	13,526	0	0	100.0
	Comprehensive I & II	0	0	1	5,472	0.0
	Liberal Arts II	3	3,090	0	0	100.0
	Other*	7	1,961	1	493	79.9
	Total for District of Columbia	15	51,608	2	5,965	89.6

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
FLORIDA	Research I & II	1	11,582	2	50,245	18.7
	Doctoral I & II	2	9,375	2	25,880	26.6
	Comprehensive I & II	8	19,495	5	35,021	35.8
	Liberal Arts I	1	1,227	0	0	100.0
	Liberal Arts II	5	2,842	0	0	100.0
	Two-Year	5	4,613	28	139,802	3.2
	Other*	16	12,737	0	0	100.0
Total for Florida		38	61,871	37	250,948	19.8
GEORGIA	Research I & II	1	8,207	2	34,731	19.1
	Doctoral I & II	1	792	1	13,581	5.5
	Comprehensive I & II	4	7,784	13	43,305	15.2
	Liberal Arts I	2	1,185	0	0	100.0
	Liberal Arts II	8	6,795	0	0	100.0
	Two-Year	12	7,001	17	21,386	24.7
	Other*	11	7,337	10	12,120	37.7
Total for Georgia		39	39,101	43	125,123	23.8
HAWAII	Research I & II	0	0	1	14,752	0.0
	Comprehensive I & II	3	6,757	1	2,750	71.1
	Liberal Arts II	1	393	1	291	57.5
	Two-Year	0	0	6	12,170	0.0
	Other*	1	22	0	0	100.0
Total for Hawaii		5	7,172	9	29,963	19.3

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
IDAHO	Doctoral I & II	0	0	2	12,921	0.0
	Comprehensive I & II	0	0	2	9,701	0.0
	Liberal Arts II	1	1,036	0	0	100.0
	Two-Year	1	6,755	2	3,544	65.6
	Other*	2	700	0	0	100.0
	Total for Idaho	4	8,491	6	26,166	24.5
ILLINOIS	Research I & II	2	23,300	3	74,914	23.7
	Doctoral I & II	2	13,880	2	40,707	25.4
	Comprehensive I & II	14	37,072	7	43,303	46.1
	Liberal Arts I	9	9,843	0	0	100.0
	Liberal Arts II	16	14,579	0	0	100.0
	Two-Year	14	7,538	46	169,997	4.3
	Other*	46	19,815	1	3,880	83.6
	Total for Illinois	103	126,027	59	332,801	27.5
INDIANA	Research I & II	0	0	2	60,759	0.0
	Doctoral I & II	1	9,580	2	25,764	27.1
	Comprehensive I & II	5	11,354	9	39,848	22.2
	Liberal Arts I	4	5,352	0	0	100.0
	Liberal Arts II	16	11,385	0	0	100.0
	Two-Year	4	1,120	15	20,262	5.2
	Other*	9	3,015	0	0	100.0
	Total for Indiana	39	41,806	28	146,633	22.2

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
IOWA	Research I & II	0	0	2	48,888	0.0
	Doctoral I & II	1	4,419	0	0	100.0
	Comprehensive I & II	5	7,827	1	10,200	43.4
	Liberal Arts I	5	6,732	0	0	100.0
	Liberal Arts II	16	12,767	0	0	100.0
	Two-Year	4	2,364	16	31,837	6.9
	Other*	6	3,775	0	0	100.0
	Total for Iowa	37	37,884	19	90,925	29.4
KANSAS	Research I & II	0	0	2	38,067	0.0
	Comprehensive I & II	1	455	5	27,420	1.6
	Liberal Arts I	1	769	0	0	100.0
	Liberal Arts II	12	7,351	0	0	100.0
	Two-Year	3	1,107	20	25,862	4.1
	Other*	3	298	1	2,067	12.6
	Total for Kansas	20	9,980	28	93,416	9.7
KENTUCKY	Research I & II	0	0	1	18,240	0.0
	Doctoral I & II	0	0	1	14,271	0.0
	Comprehensive I & II	3	5,296	6	40,583	11.5
	Liberal Arts I	2	1,613	0	0	100.0
	Liberal Arts II	10	7,424	0	0	100.0
	Two-Year	8	4,352	13	17,443	20.0
	Other*	6	3,283	0	0	100.0
	Total for Kentucky	29	21,968	21	90,537	19.5

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
LOUISIANA	Research I & II	1	8,985	1	24,670	26.7
	Doctoral I & II	0	0	2	20,418	0.0
	Comprehensive I & II	3	6,476	10	64,954	9.1
	Liberal Arts I	1	890	0	0	100.0
	Liberal Arts II	3	2,289	0	0	100.0
	Two-Year	0	0	5	7,698	0.0
	Other*	3	1,702	1	2,318	42.4
	Total for Louisiana	11	20,342	19	120,058	14.5
MAINE	Doctoral I & II	0	0	1	9,376	0.0
	Comprehensive I & II	1	646	2	7,940	7.5
	Liberal Arts I	3	4,707	0	0	100.0
	Liberal Arts II	4	1,960	2	1,489	56.8
	Two-Year	5	822	6	4,995	14.1
	Other*	5	2,203	1	440	83.4
	Total for Maine	18	10,338	12	24,240	29.9
MARYLAND	Research I & II	1	7,815	1	31,576	19.8
	Doctoral I & II	0	0	1	7,546	0.0
	Comprehensive I & II	4	7,914	7	29,771	21.0
	Liberal Arts I	4	3,574	0	0	100.0
	Liberal Arts II	1	806	2	2,450	24.8
	Two-Year	3	1,352	19	48,577	2.7
	Other*	11	3,823	2	9,091	29.6
	Total for Maryland	24	25,284	32	129,011	16.4

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
MASSACHUSETTS	Research I & II	4	55,262	1	23,939	69.8
	Doctoral I & II	4	44,874	0	0	100.0
	Comprehensive I & II	12	29,140	10	58,208	33.4
	Liberal Arts I	12	20,917	0	0	100.0
	Liberal Arts II	8	5,748	0	0	100.0
	Two-Year	17	10,892	17	44,409	19.7
	Other*	29	22,163	3	2,626	89.4
	Total for Massachusetts	86	188,996	31	129,182	59.4
MICHIGAN	Research I & II	0	0	3	90,887	0.0
	Doctoral I & II	1	2,362	1	17,798	11.7
	Comprehensive I & II	6	17,542	11	85,095	17.1
	Liberal Arts I	4	6,390	0	0	100.0
	Liberal Arts II	12	9,322	0	0	100.0
	Two-Year	5	5,497	29	107,964	4.8
	Other*	119	12,782	0	0	100.0
	Total for Michigan	47	53,895	44	301,744	15.2
MINNESOTA	Research I & II	0	0	1	39,573	0.0
	Comprehensive I & II	5	13,718	7	51,440	21.1
	Liberal Arts I	6	12,741	0	0	100.0
	Liberal Arts II	6	5,556	2	3,915	58.7
	Two-Year	3	2,721	22	35,121	7.2
	Other*	15	6,938	0	0	100.0
	Total for Minnesota	35	41,674	32	130,049	24.3

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
MISSISSIPPI	Doctoral I & II	0	0	1	10,853	0.0
	Doctoral I & II	0	0	2	18,275	0.0
	Comprehensive I & II	1	1,177	5	13,632	8.0
	Liberal Arts I	1	1,271	0	0	100.0
	Liberal Arts II	4	2,647	0	0	100.0
	Two-Year	6	2,115	14	33,037	6.0
	Other*	5	390	1	1,373	22.1
Total for Mississippi		17	7,600	23	77,170	9.0
MISSOURI	Research I & II	1	8,510	1	20,181	29.7
	Doctoral I & II	1	7,996	3	20,749	27.8
	Comprehensive I & II	11	20,236	8	47,308	30.0
	Liberal Arts II	11	9,301	0	0	100.0
	Two-Year	6	1,531	14	32,292	4.5
	Other*	26	10,268	1	914	91.8
Total for Missouri		56	57,842	27	121,444	32.4
MONTANA	Doctoral I & II	0	0	2	16,354	0.0
	Comprehensive I & II	1	1,081	3	5,910	15.5
	Liberal Arts II	2	1,362	1	673	64.1
	Two-Year	0	0	3	1,836	0.0
	Other*	0	0	1	144	0.0
Total for Montana		3	2,443	10	25,007	8.9

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
NEBRASKA	Research I & II	0	0	1	19,818	0.0
	Comprehensive I & II	2	6,028	4	20,169	23.0
	Liberal Arts I	1	1,222	0	0	100.0
	Liberal Arts II	7	4,759	1	1,024	82.3
	Two-Year	1	258	7	9,263	2.7
	Other*	4	644	4	5,522	10.4
	Total for Nebraska	15	12,911	17	55,796	18.8
NEVADA	Doctoral I & II	0	0	1	6,958	0.0
	Comprehensive I & II	0	0	1	8,565	0.0
	Liberal Arts II	1	138	0	0	100.0
	Two-Year	1	25	4	9,739	.3
	Total for Nevada	2	163	6	25,262	6
NEW HAMPSHIRE	Doctoral I & II	1	4,732	1	10,836	30.4
	Comprehensive I & II	2	2,225	2	6,615	25.2
	Liberal Arts II	5	3,987	0	0	100.0
	Two-Year	3	1,510	8	4,310	26.0
	Other*	3	5,098	1	785	86.7
	Total for New Hampshire	14	17,552	12	22,546	43.8
NEW JERSEY	Research I & II	1	6,226	1	27,176	18.6
	Doctoral I & II	1	2,252	1	6,496	25.7
	Comprehensive I & II	10	26,183	10	53,262	33.0
	Liberal Arts I	1	1,811	0	0	100.0
	Liberal Arts II	4	1,996	0	0	100.0
	Two-Year	3	1,665	17	58,612	2.8
	Other*	8	2,614	2	7,646	25.5
	Total for New Jersey	28	42,747	31	153,192	21.8

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
NEW MEXICO	Research I & II	0	0	2	29,368	0.0
	Comprehensive I & II	0	0	3	6,050	0.0
	Liberal Arts I	1	396	0	0	100.0
	Liberal Arts II	2	924	0	0	0.0
	Two-Year	0	0	11	8,425	0.0
	Other*	0	0	1	1,052	0.0
	Total for New Mexico	3	1,320	17	44,895	2.9
NEW YORK	Research I & II	8	58,928	3	45,453	65.4
	Doctoral I & II	8	53,013	3	15,171	77.8
	Comprehensive I & II	35	109,891	23	144,425	43.2
	Liberal Arts I	16	25,271	1	2,949	89.6
	Liberal Arts II	15	11,010	0	0	100.0
	Two-Year	44	27,481	46	170,845	13.9
	Other*	53	19,609	11	24,959	44.0
	Total for New York	179	332,203	87	403,802	45.1
NORTH CAROLINA	Research I & II	1	10,158	2	39,389	20.5
	Doctoral I & II	0	0	1	8,643	0.0
	Comprehensive I & II	8	18,197	12	63,779	22.2
	Liberal Arts I	3	3,525	0	0	100.0
	Liberal Arts II	17	15,225	0	0	100.0
	Two-Year	12	6,202	58	72,750	7.9
	Other*	5	1,376	1	461	74.9
	Total for North Carolina	46	54,683	74	185,022	22.8

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
NORTH DAKOTA	Doctoral I & II	0	0	2	18,047	0.0
	Comprehensive I & II	0	0	1	2,801	0.0
	Liberal Arts II	2	1,752	3	2,785	38.6
	Two-Year	1	211	8	5,738	3.6
	Other*	1	451	0	0	100.0
	Total for North Dakota	4	2,414	14	29,371	7.6
OHIO	Research I & II	1	6,575	2	70,224	8.6
	Doctoral I & II	1	856	7	112,737	8
	Comprehensive I & II	11	32,348	2	23,045	58.4
	Liberal Arts I	6	8,961	0	0	100.0
	Liberal Arts II	23	212,664	0	0	100.0
	Two-Year	10	9,270	44	64,703	12.5
	Other*	20	11,806	5	14,336	45.2
	Total for Ohio	72	91,480	60	285,045	24.3
OKLAHOMA	Research I & II	0	0	2	36,250	0.0
	Doctoral I & II	1	3,813	0	0	100.0
	Comprehensive I & II	2	5,546	8	33,604	14.2
	Liberal Arts II	5	3,508	2	1,990	63.8
	Two-Year	4	3,857	14	29,831	11.5
	Other*	4	501	2	2,235	18.3
	Total for Oklahoma	16	17,225	28	103,910	14.2

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
OREGON	Research I & II	0	0	2	29,320	0.0
	Doctoral I & II	0	0	1	10,719	0.0
	Comprehensive I & II	2	3,537	3	8,830	28.6
	Liberal Arts I	3	5,874	0	0	100.0
	Liberal Arts II	7	3,611	0	0	100.0
	Two-Year	3	1,243	13	37,809	2
	Other*	9	2,289	2	3,601	38.9
	Total for Oregon	24	16,554	21	90,279	15.5
PENNSYLVANIA	Research I & II	2	25,214	3	78,518	24.3
	Doctoral I & II	4	22,261	0	0	100.0
	Comprehensive I & II	22	54,879	16	72,145	43.2
	Liberal Arts I	18	27,365	0	0	100.0
	Liberal Arts II	21	16,989	2	2,004	89.5
	Two-Year	34	28,424	34	70,016	28.9
	Other*	41	17,926	3	12,891	58.2
	Total for Pennsylvania	142	193,058	58	235,574	45.0
RHODE ISLAND	Research I & II	1	7,194	1	12,033	37.4
	Comprehensive I & II	3	8,281	1	5,657	59.4
	Liberal Arts II	1	365	0	0	100.0
	Two-Year	0	0	1	7,152	0.0
	Other*	4	13,612	0	0	100.0
	Total for Rhode Island	9	29,452	3	24,842	54.3

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
SOUTH CAROLINA	Research I & II	0	0	1	19,479	0.0
	Doctoral I & II	0	0	1	12,381	0.0
	Comprehensive I & II	2	5,267	9	27,334	16.2
	Liberal Arts I	1	2,542	0	0	100.0
	Liberal Arts II	13	10,978	0	0	100.0
	Two-Year	6	2,919	21	25,499	10.3
	Other	3	1,070	1	1,744	38.0
	Total for South Carolina	25	22,776	33	86,437	20.9
SOUTH DAKOTA	Doctoral I & II	0	0	1	5,335	0.0
	Comprehensive I & II	1	1,649	2	4,811	25.5
	Liberal Arts II	4	2,196	1	751	74.5
	Two-Year	3	716	1	586	55.0
	Other*	2	1,172	1	1,643	41.6
	Total for South Dakota	10	5,733	6	13,126	30.4
TENNESSEE	Research I & II	1	8,344	1	21,777	27.7
	Doctoral I & II	0	0	3	31,797	0.0
	Comprehensive I & II	6	10,157	5	25,982	28.1
	Liberal Arts I	3	2,942	0	0	100.0
	Liberal Arts II	16	11,523	0	0	100.0
	Two-Year	12	3,510	14	30,491	10.3
	Other*	14	4,207	1	1,696	71.3
	Total for Tennessee	52	40,683	24	111,743	26.7

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
TEXAS	Research I & II	0	0	2	78.819	0.0
	Doctoral I & II	4	28,208	7	88.550	24.2
	Comprehensive I & II	9	18,104	19	116.088	13.5
	Liberal Arts I	2	2,887	0	0	100.0
	Liberal Arts II	20	14,786	4	2,051	87.8
	Two-Year	6	2,479	56	172.582	1.4
	Other*	13	7,193	10	11.926	37.6
	Total for Texas	54	73,657	98	470,016	13.6
UTAH	Research I & II	0	0	2	28.223	0.0
	Doctoral I & II	1	24,871	0	0	100.0
	Comprehensive I & II	0	0	2	11.350	0.0
	Liberal Arts II	1	869	0	0	100.0
	Two-Year	1	182	5	14.942	1.2
Total for Utah		3	25,922	9	54,515	32.2
VERMONT	Doctoral I & II	0	0	1	9.553	0.0
	Comprehensive I & II	3	4,327	1	1,478	74.5
	Liberal Arts I	4	3,209	0	0	100.0
	Liberal Arts II	5	1,869	2	2,001	48.3
	Two-Year	2	1,623	2	1,803	47.4
	Other*	2	534	0	0	100.0
	Total for Vermont	16	11,562	6	14,835	43.8

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
VIRGINIA	Research I & II	0	0	3	55,422	0.0
	Doctoral I & II	0	0	2	18,436	0.0
	Comprehensive I & II	4	11,954	8	47,729	20.0
	Liberal Arts I	6	5,971	1	1,310	82.0
	Liberal Arts II	12	9,366	1	1,066	89.8
	Two-Year	2	373	24	61,636	.6
	Other*	7	1,544	0	0	100.0
	Total for Virginia	31	29,208	39	185,599	13.6
WASHINGTON	Research I & II	0	0	2	44,499	0.0
	Comprehensive I & II	8	20,204	3	22,355	47.5
	Liberal Arts I	1	1,261	0	0	100.0
	Liberal Arts II	1	550	1	2,768	16.6
	Two-Year	1	989	27	80,668	1.2
	Other*	7	1,618	0	0	100.0
	Total for Washington	18	24,622	33	150,290	14.1
WEST VIRGINIA	Research I & II	0	0	1	15,119	0.0
	Comprehensive I & II	2	2,179	9	29,250	6.9
	Liberal Arts I	4	2,692	0	0	100.0
	Liberal Arts II	4	1,682	4	5,921	22.1
	Two-Year	1	149	2	1,224	10.9
	Other*	1	149	2	1,224	10.9
Total for West Virginia		11	6,702	16	51,514	11.5

State	Carnegie Classification	Number of Private Institutions	Enrollment in Private Institutions	Number of Public Institutions	Enrollment in Public Institutions	Enrollment in Private Institutions as Percent of Total
WISCONSIN	Research I & II	0	0	1	38,747	0.0
	Doctoral I & II	1	10,512	1	17,369	37.7
	Comprehensive I & II	2	3,637	11	72,096	4.8
	Liberal Arts I	4	4,526	0	0	100.0
	Liberal Arts II	11	8,397	0	0	100.0
	Two-Year	4	1,478	14	50,304	2.9
	Other*	7	3,758	0	0	100.0
Total for Wisconsin		29	32,308	27	178,516	15.3
WYOMING	Research I & II	0	0	1	8,998	0.0
	Two-Year	0	0	7	9,129	0.0
Total for Wyoming		0	0	8	18,127	0.0

Notes: Fall 1987 Full Time Equivalent Students

*Specialized Institutions: Religious, Medical, Health, Engineering, Business, Law, Teaching, Corporation

Source: National Center for Higher Education Management Systems, Integrated Postsecondary Education Data System (IPEDS) Enrollment Database, 1987-88

The Carnegie Classification of Institutions of Higher Education

Definitions

_____ The 1987 Carnegie classification includes all colleges and universities in the United States listed in the 1985-86 Higher Education General Information Survey of Institutional Characteristics. It groups institutions into categories on the basis of the level of degree offered — ranging from pre-baccalaureate to the doctorate — and the comprehensiveness of their missions. The categories are as follows:

Research Universities I: These institutions offer a full range of baccalaureate programs, are committed to graduate education through the doctorate degree and give high priority to research. They receive annually at least \$33.5 million in federal support¹ and award at least 50 Ph.D. degrees each year.²

Research Universities II: These institutions offer a full range of baccalaureate programs, are committed to graduate education through the doctorate degree and give high priority to research. They receive annually between \$12.5 million and \$33.5 million in federal support for research and development¹ and award at least 50 Ph.D. degrees each year.²

Doctorate-Granting Universities I:

In addition to offering a full range of baccalaureate programs, the mission of these institutions includes a commitment to graduate education through the doctorate degree. They award at least 40 Ph.D. degrees annually in five or more academic disciplines.²

Doctorate-Granting Universities II:

In addition to offering a full range of baccalaureate programs, the mission of these institutions includes a commitment to graduate education through the doctorate degree. They award annually 20 or more Ph.D. degrees in at least one discipline or 10 or more Ph.D. degrees in three or more disciplines.²

Comprehensive Universities and

Colleges I: These institutions offer baccalaureate programs and, with few exceptions, graduate education through the master's degree. More than half of their baccalaureate degrees are awarded in two or more occupational or professional disciplines such as engineering or business administration.³ All of the colleges and universities in this group enroll between 1,500 and 2,500 students.⁴

Comprehensive Universities and

Colleges II: These institutions award more than half of their baccalaureate degrees in two or more occupational or professional disciplines, such as engineering or business administration, and many also offer graduate education through the master's degree.³ All of the colleges and universities in this group enroll between 1,500 and 2,500 students.⁴

Liberal Arts Colleges I: These highly selective institutions⁵ are primarily undergraduate colleges that award more than half of their baccalaureate degrees in arts and sciences fields.¹

Liberal Arts Colleges II: These institutions are primarily undergraduate colleges that are less selective⁵ and award more than half of their degrees in liberal arts fields.¹ This category also includes a group of colleges (identified with an asterisk) that award less than half of their degrees in liberal arts fields but, with fewer than 1,500 students, are too small to be considered comprehensive.

Two-Year Community, Junior and Technical Colleges: These institutions offer certificate of degree programs through the associate of arts level and, with few exceptions, offer no baccalaureate degrees.

Professional Schools and Other Specialized Institutions: These institutions offer degrees ranging from the bachelor's to the doctorate. At least 50% of the degrees awarded by these institutions² are in a single specialized field. Specialized institutions include:

— *Theological seminaries, Bible colleges and other institutions offering degrees in religion:* This category includes institutions at which the primary purpose is to offer religious instruction or train members of the clergy.

— *Medical schools and medical centers:* These institutions award most of their professional

degrees in medicine. In some instances, their programs include other health professional schools, such as dentistry, pharmacy or nursing.⁶

— *Other separate health profession schools:* Institutions in this category award most of their degrees in such fields as chiropractic, pharmacy or podiatry.

— *Schools of law:* The schools included in this category award most of their degrees in law. The list includes only institutions that are listed as separate campuses in the *Higher Education General Information Survey*.

— *Schools of engineering and technology:* The institutions in this category award at least a bachelor's degree in programs limited almost exclusively to technical fields of study.

— *Schools of business and management:* The schools in this category award most of their bachelor's or graduate degrees in business or business-related programs.

— *Schools of art, music and design:* Institutions in this category award most of their bachelor's or graduate degrees in art, music, design, architecture or some combination of such fields.

— *Teachers colleges:* Institutions in this category award most of their bachelor's or graduate degrees in education or education-related fields.

— *Other specialized institutions:* Institutions in this category include graduate centers, maritime academies, military institutes without liberal arts programs and institutions that do not fit any other classification category.

— *Corporate-sponsored institutions:* These institutions are accredited, degree-granting colleges and universities established by profit-making corporations.⁷

Notes on Definitions

1. The years used in calculating average federal support were 1983, 1984 and 1985.
2. The academic year for determining the number of degrees awarded by institutions was 1983-84.
3. The *Liberal Arts* disciplines include area studies, biological sciences, the fine arts, foreign languages, letters, mathematics, physical sciences, psychology, the social sciences and interdisciplinary studies. *Occupational/pre-professional* disciplines include agriculture, the natural sciences, architecture and environmental design, business and management, communications, computer and information science, education,

engineering, the health professions, home economics, law, library science, public affairs and theology.

4. The years used for calculating average student enrollment were 1982, 1983 and 1984.
5. An index developed by Alexander W. Astin at the University of California at Los Angeles is used to determine the selectivity of liberal arts colleges.
6. This category lists only institutions that appear in the *Higher Education General Information Survey* as separate campuses. Those seeking a complete listing of accredited professional schools should consult publications of the separate professional associations, such as the annual report on medical education published by the American Medical Association.
7. Our list of corporate colleges and universities is taken from Nell P. Eurich, *Corporate Classrooms: The Learning Business* (Princeton, N.J., CFAT, 1985). Since that report was published, some of the institutions it included have become independent or part of other institutions.

Source: *A Classification of Institutions of Higher Education*, 1987 Edition
Princeton, NJ: CFAT, 1987, pp. 7-8.

Appendix B

Summary of Technical Reports

1. Chance, William. *On the Origins of Low Tuition in Public and Independent Higher Education*, Working Paper PS-88-4. Denver: ECS, July 1988. This paper discusses the historical evolution of college access as affected by nearly two decades of changing social, economic and political priorities, practices and laws.
2. Curry, Denis J. *Financing the Student Costs of Higher Education: Considerations for Effective Access*, Working Paper PS-88-5. Denver: ECS, July 1988. This paper discusses various financial aid strategies used by the states and their relationship to the concerns of the independent sector. Driven by a 50-state 1988 SHEEO survey of state executive financial aid officers, 40% of whom felt their state had no financial aid policy, Curry categorized each state as a "high," "moderate" or "low" tuition state. State financial aid practices, tuition and fees are discussed in the context of economic, political and regional factors. Specific case studies focus on Minnesota, New York, Washington and North Carolina.
3. Lee, John B. *Enrollment in Private Career Schools by State*, Working Paper PS-88-6. Denver: ECS, July 1988. Lee's report identifies the number of accredited private career schools by state and enrollment. Also discussed are various accrediting organizations, criteria for accreditation and access to the total share of federal student aid dollars.
4. National Center for Higher Education Management Systems. *The Independent Sector's Public Purposes: Implications for State Policy Analysis*, Working Paper PS-88-7. Denver: ECS, July 1988. This paper explores the role of the independent higher education sector as a partner of the state in supplying quality higher education, in sufficient quantity and variety, to meet a broad range of needs. The paper provides a conceptual framework and analytic approach for assisting state governments in developing greater awareness of the independent sector's contributions to the state, and ways in which these contributions can be affected, positively or adversely, by state policy.
5. Wilensky, Rona. *Trends in the Public and Independent Sectors of Higher Education*. Working Paper PS-88-1. Denver: ECS, March 1988. Written as a synopsis of publications for the

ECS Task Force on State Policy and Independent Higher Education, the report focuses on major trends in higher education and the similarities and differences between the public and independent sectors. Five major topics are covered: the numbers and characteristics of institutions, enrollment trends, paying for college, institutional revenues and institutional expenditures.

6. Zumeta, William. *A Framework for Analysis of State Policy and Independent Higher Education*. Working Paper PS-88-8. Denver: ECS, July 1988. Zumeta presents a conceptual framework for understanding the different ways state policies may affect the independent sector in such areas as student aid policy, direct state appropriations, state academic review, state information distribution systems, state regulating policies, tax policy and other indirect financial aid policies. Three distinct state policy postures toward the independent sector are identified: "Laissez-Faire," "State Central Planning" and "Market-Competitive." Zumeta also presents several ideas for how various state policies affecting the independent sector can be arranged to fit individual state circumstances.

7. Zumeta, William. *State Policies and Independent Higher Education: A Technical Report*. Final Report to the Task Force on State Policy and Independent Higher Education. Denver: ECS, 1989. This report, as a companion to the ECS task force final report, provides an overview of what is known about the major types of state policies that affect the independent higher education sector.

The report uses data from a primary 50-state survey of state higher education executive officers and statewide independent college and university association executive officers, conducted in the spring and fall of 1988. Additional data were secured from the National Association of State Scholarship and Grant Programs' annual survey reports of state student aid agencies. The report is divided into eight sections: student aid policy and funding, direct state payments to independent institutions, independent sector involvement in state planning, state academic program review/approval policies, state tax policies, state regulation, public/independent sector relationships and state policy issues of greatest concern to the independent sector. Charts and tables are included to facilitate data presentation.

Appendix C

State Support of Private Higher Education: Programs in Operation or Approved in the 50 States and Washington, D.C.¹

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
ALABAMA	•Alabama Commission on Higher Education •No statutory planning authority for PHE. •Occasional PHE involvement in planning	•Student Assistance Program, max. \$2,500*, PHE 36% TAD**, need-based.² •Student Grant Program, (tuition equalization/flat/non-need), max. \$1,200, PHE 100% TAD. •Merit programs available for eligible PHE students.	•Special Education Trust Fund (PHE* and public; state funds given to public PHE institutions for minority education opportunities; competitive; annual contracts); state-generated funds.	None ³	•PHE* exempt from local and state property tax. •Bonding authority available for capital construction and equipment.
ALASKA	•Commission on Post-secondary Education •Statutory planning authority for PHE •1 PHE representative •Advisory role in planning	•Student Incentive Grant, max. \$1,500, PHE 11.8% TAD, need-based.²	None	None	•PHE exempt from local and state property tax. •No Alaska state sales tax. •Bonds--Municipality of Anchorage Housing Authority: capital construction.
ARIZONA	•Commission for Postsecondary Education (through the Arizona Board of Regents). •Appointed by the governor. •No statutory planning authority for PHE •1 PHE representative. •Minor PHE involvement in planning	•Incentive Grant Program, max. \$2,500, PHE 11% TAD, need-based.²	None	None	•PHE not exempt from property and sales tax. •No bonding authority available.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
ARKANSAS	•<u>Department of Higher Education</u>. •Policy planning authority for PHE. •Occasional PHE involvement in planning.	•<u>Student Assistance Grant Program</u>, max. \$500, PHE 15% TAD, need- and merit-based.²	None	None	•PHE exempt from property and sales tax on ed-related items. •Bonding authority.
CALIFORNIA	•<u>Postsecondary Education Commission</u>. •Statutory planning authority for PHE. •1 PHE and 1 proprietary representative. •Occasional PHE involvement in planning. •<u>CA Student Aid Commission</u>. •1 PHE and 1 proprietary representative. •Extreme involvement in planning.	•<u>Cal Grant A: State Scholarship Program</u>, max. \$5,250, PHE 68.7% TAD, need- and merit-based.²	None	None	•PHE exempt from property and sales tax for ed-related activities. •Bonds--<u>CA Educational Facilities Authority</u>: capital facilities.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
COLORADO	•<u>Commission on Higher Education</u>. •No statutory planning authority for PHE. •Minor PHE involvement in planning.	•<u>Student Incentive Grants</u>, max. \$2,500, PHE 7% TAD, need-based. •<u>Colo. Student Grant Program</u>, max. \$2,000, PHE 7% TAD, need-based. •<u>Tuition Equalization Program</u>, (flat/need- and non-need), PHE 100% TAD.² •<u>State Work Study Program</u> available. •Merit programs available for eligible PHE students, non-need based.	None	None	•PHE exempt from property and sales tax on ed-related activities. •<u>Bonds--CO Higher Education Facilities Authority</u>: capital construction.
CONNECTICUT	•<u>Board of Governors for Higher Education</u>. •Policy planning authority for PHE. •Occasional PHE involvement in planning.	•<u>Independent College Student Grant Program</u>, (tuition equalization/need-based), max. \$5,937, PHE 100% TAD.² •<u>Scholastic Achievement Grant Program</u>, need with academic screen, max. \$2,000; available for PHE students. •Some merit programs available for eligible PHE students.	•<u>Yankee Ingenuity Grant Program</u> (Cooperative public/private research grants and collaborative industry college research grants in high technology areas; open to PHE). •<u>The Connecticut Collegiate Awareness and Preparation Program</u> (Competitive grants to support development of partnerships with targeted public school districts for motivational and academic support for at-risk students; open to PHE).	None	•PHE exempt from sales and property tax. •<u>Bonds--CT Higher Education and Facility Authority</u>: capital construction. •<u>CT Higher Education Supplemental Loan Authority</u>: PHE benefits from provision of tax exempt bonding authority for education loans for CT students and for out-of-state students attending college in CT.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
DELAWARE	•<u>Postsecondary Education Commission.</u> •Policy Planning authority for PHE. •1 PHE representative. •Minor to no PHE involvement in planning.	•<u>Postsecondary Scholarship Fund</u>, max. \$1,000, PHE 21% TAD, need-based.² •Some merit programs available for eligible PHE students.	None	None	•PHE exempt from property and sales tax on ed-related items. •No bonding authority available.
DISTRICT OF COLUMBIA	•<u>Office of Postsecondary Education, Research and Assistance.</u> •Statutory planning authority for PHE. •Occasional PHE involvement in planning.	•<u>D.C. State Student Incentive Grant Program</u>, max. \$1,500, PHE 50% TAD.²	None	None	•PHE exempt from property and sales tax on ed-related items. •No bonding authority available.
FLORIDA	•<u>State Board of Education, Postsecondary Education Planning Commission.</u> •Statutory planning authority for PHE. •Extensive PHE involvement in planning.	•<u>Student Assistance Grants</u>, max. \$1,300, PHE 48.6% TAD, need-based. •<u>Tuition Voucher Program</u>, (tuition equalization/flat/non-need), max. \$1,250, PHE 100% TAD.² •Several merit programs available for eligible PHE students.	•<u>Florida Contracting for Specific Academic Programs</u> (state contracts with PHE to meet needs not fulfilled by the state system; competitive, annual contracts); state-generated revenue funds.	None	•PHE exempt from sales and property tax. •Bonding authority available for capital construction (county level only).

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
GEORGIA	• <u>Board of Regents, University System of Georgia.</u> • No statutory planning authority for PHE. • PHE involvement in planning.	• <u>Student Incentive Grants</u>, max. \$450, PHE 29% TAD, need-based. • <u>Tuition Equalization Grants</u>, (flat/non-need), max. \$925, PHE 100% TAD.²	• <u>GA Research Consortium</u> (research grants available to eligible PHE and public members; competitive); state-generated funds.	None	• PHE exempt from property and sales tax on ed-related activities. • Bonding authority available.
HAWAII	• <u>Board of Regents, University of Hawaii.</u> • No statutory planning authority for PHE. • Minor to no PHE involvement in planning.	• <u>Student Incentive Grants</u>, max. \$2,500, PHE 55% TAD, need-based.²	None	None	• PHE exempt from property and sales tax. • Bonding authority available with specific legislative approval.
IDAHO	• <u>State Board of Education.</u> • PHE involvement in state-wide planning.	• <u>Student Incentive Grants</u>, max. \$2,500, PHE 9% TAD, need-based. • <u>State of Idaho Scholarships</u>, max. \$1,500, PHE 23% TAD, need-based.² • <u>State Work Study Program</u> available to eligible PHE students.	None	None	• PHE exempt from property and sales tax on ed-related items. • No bonding authority available.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
ILLINOIS	•<u>Board of Higher Education</u>. •Statutory planning authority for PHE. •Extensive PHE involvement in planning.	•<u>Monetary Award Program</u>, max. \$3,150, PHE 57.5% TAD, need-based.² •Some merit programs available for eligible PHE students.	•<u>Health Services Ed. Grants</u> (state grants given to eligible PHE institutions to train health professionals, enrollment-based); state-generated funds. •<u>IL Engineering Grant Program</u> (PHE and public; provides matching grants to college and university engineering programs; reimbursement basis); state-generated funds. •<u>Higher Education Cooperation Act</u> (PHE and public; to encourage institutional cooperation; competitive; annual contracts); state-generated funds. •<u>Build IL: Grants to Non-Public Institutions of Higher Learning</u> (PHE only; provide capital improvement funds for research and lab areas; formula-based; annual contracts); funded bond sales through state bond sales.	•<u>Financial Assistance Act for Non-Public Institutions</u> (provides general direct purpose funding to private nonprofit colleges and universities); state-generated funds.	•PHE exempt from sales and property taxes except excise, gas and transportation taxes. •<u>Bonds--IL Educational Facilities Authority</u>: capital facilities and buildings.

State	Recognition of Private Higher Education in State Planning • PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy • 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education • PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy • PHE - Private Higher Education
INDIANA	• <u>Commission for Higher Education</u>. - Statutory planning authority for PHE. - Extensive PHE involvement in planning.	• <u>Higher Education Grants</u>, max. \$1,737, PHE 27.4% TAD, need-based. • <u>Freedom of Choice Grants</u>, max. \$2,302, PHE 100% TAD, need-based.⁴	None	None	• PHE exempt from property and sales tax on ed-related items. • <u>Bonds--IN Education Facilities Authority</u>: new capital construction.
IOWA	• <u>State Board of Regents--Iowa College Aid Commission</u>. - Appointed by the governor. - 1 PHE representative. - No statutory planning authority. - Occasional PHE involvement in planning. - Iowa Coordinating Council for Post High School Education, voluntary coordinating body with membership from PHE, public two- and four-year, proprietary, College Aid Commission and Iowa Public Television.	• <u>Tuition Grants</u>, max. \$2,500, PHE 100% TAD, need-based.⁵ • <u>State Work Study Program</u> available. • Some merit programs available for eligible PHE students.	• <u>Subvention Program</u> (University of Osteopathic Medicine; reserved spaces for Iowa students).	None	• PHE exempt from property and sales tax. • <u>Bonds--Iowa Higher Education Loan Authority</u>: student loans and facilities.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
KANSAS	•<u>State Board of Regents</u>. -No statutory planning authority. -Minor to no PHE involvement in planning.	•<u>State Scholarship Program</u>, max. \$1,000, PHE 21.5% TAD, need-based. •<u>Tuition Grant Program</u> (tuition equalization/need-based), max. not to exceed 1/2 of public-private tuition gap, PHE 100% TAD.²	None	None	•PHE must pay property tax on faculty housing and income property. •PHE exempt from sales tax on ed-related items. •Bonds--<u>The Kansas Independent College Association</u> has bonding authority for PHE capital purchases.
KENTUCKY	•<u>Council on Higher Education</u>. -Policy planning authority for PHE. -Occasional PHE involvement in planning.	•<u>State Student Incentive Grant</u>, max. \$500, PHE 25% TAD, need-based. •<u>Tuition Grant Program</u> (tuition equalization/need-based), max. \$1,200, PHE 100% TAD.^{2,6} •Several merit programs.	None ⁷	None	•PHE exempt from property tax on ed-related items. •PHE exempt from sales tax on all items. •Bonds--<u>Kentucky Development Authority</u>: capital construction and renovation.

State	Recognition of Private Higher Education in State Planning • PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy • 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education • PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy • PHE - Private Higher Education
LOUISIANA	•<u>Board of Regents</u>. -No statutory planning authority for PHE. -Minor PHE involvement in planning.	•<u>State Student Incentive Grant Program</u>, max. \$2,500, PHE 2.4% TAD, need-based.² •Some merit programs available for eligible PHE students.	•<u>Louisiana Education Quality Support Fund Program</u> (PHE and public; for the recruitment of endowed chairs, superior graduate students, and to promote research at independent and public institutions; competitive contracts); funded through interest earnings from a special state trust fund. •<u>Rockefeller Wildlife Refuge Trust Fund</u> (PHE and public; promotes and funds wildlife research projects; competitive contracts); funded through the Louisiana Rockefeller Wildlife Refuge Trust Fund.	None	•PHE exempt from property tax on ed-related items. •<u>Bonds--Louisiana Public Facilities Authority</u>: buildings and equipment.
MAINE	•<u>Board of Trustees, University of Maine</u>. -No statutory authority for PHE. -Minor to no PHE involvement in planning.	•<u>State Student Incentive Grant</u>, max. \$1,500, PHE 67% TAD, need-based.²	None	None	•PHE exempt from property and sales tax on ed-related items. •<u>Bonds--Maine Health and Higher Education Facilities Authority</u>: capital construction.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
MARYLAND	• <u>Higher Education Commission</u>. • Statutory planning authority for PHE. • Extensive PHE involvement in planning. • Academic program review.	• <u>General State Scholarship</u>, max. \$2,500, PHE 39.9% TAD, need-based. • <u>Senatorial Grants</u>, max. \$1,500, PHE 17.8% TAD, need-based.¹ • Several merit programs available for eligible PHE students.	• <u>Assistance to the Peabody Institution Conservatory</u> (special program to support a conservatory at one designated PHE only); state-generated funds. • <u>Capital Assistance to Independent Institutions</u> (PHE and public; funds raised through bond bills to support capital assistance); funds appropriated through political decision through matching grants up to 50% of total project cost.	• <u>Aid to Independent Institutions</u> (PHE only; provides general purpose direct funding to PHE institutions); state-generated funds.	• PHE property tax in lien only. • PHE exempt from sales tax on all purchases. • <u>Bonds--Maryland Health and Higher Education Facilities Authority</u>: capital facilities.
MASSACHUSETTS	• <u>Board of Regents of Higher Education</u>. • Statutory degree-granting authority for some PHE. • Occasional PHE involvement in planning.	• <u>General Scholarships</u>, max. \$3,800, PHE 56% TAD, need-based. • <u>Christian Herter Memorial Scholarship</u>, max. = 1/2 cost of education, PHE 61% TAD, need-based. • <u>Part-Time Grants</u>, max. = cost of education, PHE 43% TAD, need-based.² • One merit program available for eligible students.	• <u>Massachusetts Educational Opportunity Program</u> (PHE and public, provides counseling services to disadvantaged high school students; competitive, annual contracts); state-generated funds.	None	• PHE exempt from most property and sales taxes. • <u>Bonds--Massachusetts Health and Education Facilities Authority</u>: capital facilities and equipment; <u>Massachusetts Industrial Finance Agency</u>: capital facilities and equipment (not state-backed).

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
MICHIGAN	• <u>State Board of Education</u>. • New degree program approval for PHE. • Advisory policy planning for PHE. • Substantial PHE involvement in planning.	• <u>Tuition Grants</u> (tuition equalization/ need-based), max. \$2,300, PHE 100% TAD, need-based. • <u>Adult Part-Time Grants</u>, max. \$600, PHE 17% TAD, need-based. • <u>Competitive Scholarship Program</u>, max. \$1,200, PHE 26% TAD, merit- and need-based.² • <u>State Work Study Program</u> available for eligible PHE students (need-based and campus-based, PHE 25%).	• <u>Select Student Service Program</u> (grants for PHE and public institutions to increase access and retention of disadvantaged students; competitive; time-limited contracts); state-generated funds. • <u>Allied Health Degree Reimbursement</u> (PHE only; special reimbursements for allied health degrees granted to Michigan residents). • <u>Dental Grant</u> (PHE only, grant to University of Detroit Dental School).	• <u>General-Degree Reimbursement Program</u> (PHE only; reimbursement given to PHE for degrees conferred to Michigan residents); state-generated funds.	• PHE exempt from property and sales tax on ed-related items. • <u>Bonds--Higher Education Facilities Authority</u>: capital construction. • State tax credits for contributions to PHE and public institutions (up to \$200 tax credit for individuals and up to \$5,000 credit for corporations).
MINNE-SOTA	• <u>Higher Education Coordinating Board</u>. • Statutory planning authority for PHE. • Substantial PHE involvement in planning.	• <u>Scholarship and Grant Program</u>, max. \$5,182, PHE 45% TAD, need-based.² • <u>Part-Time Grant</u>, max. (less than 1/2 time tuition plus expenses), need-based. • <u>State Work Study Program</u> available.	None	None	• PHE exempt from property and sales tax on ed-related items. • <u>Bonds--Minnesota Higher Education Facilities Authority</u>: buildings and equipment.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
MISSISSIPPI	•Board of Trustees. •No statutory planning authority for PHE. •Occasional PHE involvement in planning.	•State Incentive Grants, max. \$1,500, PHE 44.8% TAD, need-based.²	None	None	•PHE exempt from property and sales tax on ed-related items. •Bonds--<u>Education Facilities Authority for Independent Colleges</u>: capital construction.
MISSOURI	•<u>Department of Higher Education</u>. •Statutory planning authority for PHE. •Occasional PHE involvement in planning.	•Student Grants, max. \$1,500, PHE 64% TAD, need-based.² •Some merit programs available for eligible PHE students.	•<u>Contracts with PHE Institutions</u> (PHE only; state statutes permit contracting for educational and research services not available in the public sector; currently limited to architecture); state-generated funds. •<u>Economic Development Grants for Applied Research, Innovation Centers, Centers for Advanced Technology, and Business Development</u> (PHE and public; PHE and public institutions are eligible for economic development grants; competitive basis); state-generated funds and matching grants.	None	•PHE exempt from property and sales tax. •Bonds--<u>Missouri Health and Education Facilities Authority</u>: capital construction.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
MONTANA	•<u>Board of Regents of Higher Education</u>. •No statutory planning authority for PHE. •Occasional PHE involvement in planning.	•<u>Student Incentive Grants</u>, max. \$600, PHE 5.7% TAD, need-based.²	None	None	•PHE institutions exempt from property tax. •No Montana state sales tax. •No bonding authority available.
NEBRASKA	•<u>Coordinating Commission for Postsecondary Education</u>. •Statutory planning authority for PHE. •Occasional PHE involvement in planning.	•<u>State Scholarship Award Program</u>, max.: discretion of each individual institution, PHE 22% TAD, need-based. •<u>Scholarship Award Program</u>, max.: discretion of each individual institution, PHE 24% TAD, need-based.²	None	None	•PHE exempt from property and sales tax on ed-related items. •<u>Bonds--Nebraska Education Finance Authority</u>: buildings and equipment.
NEVADA	•<u>Board of Regents, University of Nevada System</u>. •No statutory planning authority for PHE. •Occasional PHE involvement in planning.	•<u>Student Incentive Grant</u>, max. \$2,000, PHE 0% TAD, need-based.	None	None	•PHE exempt from sales and property tax on ed-related items. •Bonding authority available.
NEW HAMPSHIRE	•<u>Postsecondary Education Commission</u>. •Statutory planning authority for PHE. •Extensive PHE involvement in planning.	•<u>Incentive Program</u>, max. \$1,000, PHE 20.7% TAD, need- and merit-based.² •Some merit programs available for eligible PHE students.	•<u>Dartmouth Medical Education Program</u> (provides opportunities for medical education at private medical schools only; formal contracts, renegotiated annually); state-generated funds.	None	•PHE pay property tax according to local municipal policy. •No sales tax in New Hampshire. •Bonding authority available.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
NEW JERSEY	•Board of Higher Education. Statutory planning authority for PHE -1 PHE representative. -PHE extremely involved in planning.	•Tuition Aid Grants, max. \$3,700, PHE 35% TAD, need-based. •Educational Opportunity Fund, max. \$1,950, PHE 33% TAD, need-based. •Garden State Scholarship, max. \$1,000, PHE 27% TAD, need- and merit-based. •Part-Time Tuition Aid Grants, max. \$2,775, PHE 24% TAD, need-based.² •Some merit programs available for eligible PHE students.	•Aid to Professional Schools of Nursing (to support the operational expenses of PHE nursing schools; enrollment-based); state-generated funds. •Challenge Grant Program (to promote educational opportunities for minority and disadvantaged students; competitive grants); state-generated funds. •Dental School Support (to support the operation of a second dental school in the state). •Competitive Grant Programs (PHE and public; to support a wide variety of activities including computers in curricula, humanities, math and science education, and retention initiatives). •Educational Opportunity Fund (EOF) Program (to support the operational expenses of EOF programs at independent colleges).	•Independent Colleges and University Aid Act (provides general purpose, direct funding to private non-profit colleges and universities); state-generated funds.	•PHE exempt from property and sales tax on ed-related items. •Bonds--New Jersey Higher Education Facilities Authority; capital construction.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
NEW MEXICO	• <u>Commission on Higher Education</u>. • Statutory planning authority for PHE. • Occasional PHE involvement in planning.	• <u>Student Incentive Grant</u>, max. \$2,500; PHE 4.6% TAD, need-based. • <u>Student Choice</u>, max. \$104/credit hour (up to \$2,500), PHE 100% TAD, need-based.⁴ • <u>State Work Study Program</u> available for eligible PHE students. • One merit program available for eligible PHE students.	• <u>Correctional Education Contract</u> (College of Santa Fe only; Department of Corrections contract to provide educational services to inmates; annual contract); state-generated funds.	None	• PHE exempt from property tax. • PHE exempt from gross sales tax. • No bonding authority available.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
NEW YORK	•<u>Board of Regents, University of the State of New York</u>. -Statutory planning authority for PHE. -Some PHE involvement in planning.	•<u>Tuition Assistance Program</u>, max. \$3,650, PHE 63.7% TAD, need-based •<u>Aid for Part-Time Study</u>, max. \$2,000, PHE 36.7% TAD, need-based⁴ •Some merit programs available for eligible PHE students.	•<u>Albert Einstein Chairs in Science and Albert Schweitzer Chairs in the Humanities</u> (to support faculty chairs at PHE and public institutions; competitive-basis; time-limited contracts); state-generated funds. •<u>Higher Education Opportunity Program</u> (to advance equal opportunity in higher education; competitive; annual contracts); state-generated funds. •<u>Centers for Advanced Technology</u> (PHE and public; to foster economic development in New York state; competitive; annual contracts); state-generated funds. •<u>Enrollment Grants to Schools of Medicine and Dentistry</u> (PHE only; provides partial state support for accredited medical schools; enrollment-basis); state-generated funds.	•<u>Bundy Aid</u> (PHE only, provides general purpose, direct funding to PHE institutions; reimbursement-basis); state-generated funds.	•PHE exempt from property and sales tax. •<u>Bonds--Dormitory Authority of the State of New York</u>: capital construction, equipment and renovations.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
NORTH CAROLINA	•<u>Board of Governors, University of North Carolina.</u> •Statutory planning authority for PHE. •Some PHE involvement in planning.	•<u>Student Incentive Grant</u>, max. \$1,500, PHE 48% TAD, need-based.² •<u>Legislative Tuition Grants</u> (tuition equalization flat non-need), max. \$1,150. •Some merit programs available for eligible PHE students.	•<u>Private Medical School Aid</u> (to support PHE medical schools; enrollment-based; annual contracts); state-generated funds.	None	•PHE exempt from sales and property tax. •Bonds--<u>North Carolina Higher Education Facilities Authority</u>; capital facilities.
NORTH DAKOTA	•<u>Board of Higher Education.</u> •No statutory planning authority for PHE •Occasional PHE involvement in planning.	•<u>Student Financial Assistance Program</u>, max. \$600, PHE 17.8% TAD, need-based.²	None	None	•PHE exempt from property and sales tax. •No bonding authority available.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
OHIO	•<u>Board of Regents</u>. -Statutory planning authority for PHE. -Occasional PHE planning.	•<u>Instructional Grants</u>, max. \$3,306, PHE 30% TAD, need-based. •<u>Student Choice Grants</u>, non-need, max. not to exceed 25% of average undergraduate subsidy to state institutions, 1989-90 funding of \$590, PHE 100% TAD ⁴	•<u>Super Computer Center</u> (services to PHE); state-generated funds. •<u>Podiatric Medicine</u> (PHE only; to support podiatric ed; funds distributed through state institution negotiations); state-generated funds and bond issues. •<u>Aid to Non-Profit Medical and Dental Schools</u> (to increase no. of students entering medical/dental professions; enrollment-based); state-generated funds. •<u>Thomas Edison Program</u> (PHE/public; matching funds to stimulate research, competitive-basis); state-generated funds. •<u>Independent College Challenge Program</u> (PHE only; to enhance fine liberal arts programs; funds awarded at discretion of legislature; competitive awards); state-generated funds. •<u>Special Progs. for Teacher Ed.</u> (state subsidy for teacher ed. colleges); state-generated funds.	None	•PHE exempt from property and sales tax. •<u>Bonds--Ohio Higher Education Facilities Commission</u>: capital facilities.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
OKLAHOMA	• <u>State Regents for Higher Education</u> • Statutory planning authority for PHE. • Occasional PHE involvement in planning	• <u>Tuition Aid Grants</u>, max. \$1,000. PHE 12.6% TAD, need-based.² • Some merit programs available to eligible PHE students.	None	None	• PHE exempt from all sales and property tax on ed-related items. • No bonding authority available.
OREGON	• <u>Office of Educational Policy and Planning</u> • Statutory planning authority for PHE. • Extensive PHE involvement in planning.	• <u>Need Grant Program</u>, max. \$1,710. PHE 14.5% TAD, need-based. • <u>Cash Award Program</u>, max. \$804. PHE 44.8% TAD, need- and merit-based.²	• <u>Purchase of Educational Services from Independent Colleges</u> (PHE only; the state contracts with non-sectarian colleges to provide educational services; enrollment-based; time-limited contracts); state generated funds.	None	• PHE exempt from property tax. • No sales tax in Oregon. • Bonding authority available for capital facilities and equipment.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
PENNSYLVANIA	•State Department of Education. •Statutory Planning authority for PHE. •Some PHE involvement in planning.	•State Grant Program, max. \$2,100, PHE 44% TAD, need-based.⁴ •Merit programs available to eligible PHE students.	•State-Aided Institutions (PHE only; provides aid to medical, veterinary, engineering, optometry and other disciplines; fund allocations determined by vote of legislature); state-generated funds. •Equipment Grants (PHE and public; to support academic equipment purchases; enrollment and reimbursement-based); state-generated funds. •Ben Franklin Partnership (PHE and public; to provide funds, matched by area businesses to university research centers); state-generated funds.	•Institutional Assistance Grants (IA) (PHE only; unrestricted aid grants are made to all PHE institutions not included in the state-aided category); annual appropriations through state-generated funds.	•PHE exempt from property and sales tax. •Bonds--<u>Pennsylvania Higher Education Facilities Agency</u>; facilities only.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
RHODE ISLAND	•<u>Board of Governors for Higher Education</u>. •No statutory planning authority for PHE. •Occasional PHE involvement in planning.	•<u>Scholarship and Grant Program</u>, max. \$2,000, PHE 18.3%; TAD, merit- and need-based.⁷	•<u>Brown Medical Program</u> (to promote medical education in Rhode Island; non-enrollment or degree-based; annual contract); state-generated funds. •<u>Governor's Math and Science Program</u> (PHE and public; contract program to offer college-level math and science education for Rhode Island students; institutions are chosen by the state); state-generated funds.	None	•PHE exempt from property and sales tax. •<u>Bonds--Rhode Island Health and Education Building Corporation</u>; capital construction, renovation and equipment (not backed by the state).
SOUTH CAROLINA	•<u>Commission on Higher Education</u>. •Statutory planning authority for PHE. •Occasional PHE involvement in planning. •Statutory Advisory Council of Private College Presidents.	•<u>Tuition Grant Program</u>, (tuition equalization/need-based), max. \$3,760, PHE 100% TAD.⁷	•<u>Instructional Grants - The Cutting Edge Program</u> (PHE and private; to improve undergraduate instruction in the state; competitive-basis); state-generated funds. •<u>Centers for Excellence in Teacher's Education</u> (PHE and private; to encourage the development of exemplary programs in teacher's education; competitive basis); earmarked state sales tax revenues.	None	•PHE exempt from property and sales tax. •No bonding authority available.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
SOUTH DAKOTA	•<u>Board of Regents</u>. -No statutory planning authority for PHE. -Occasional PHE involvement in planning.	•<u>Student Incentive Grants</u>, max. \$600, PHE 33% TAD, need-based. •<u>Tuition Equalization Grants</u>, (need-based), max. \$250, PHE 100% TAD.² •Merit programs available to eligible PHE students.	None	None	•PHE exempt from property and sales tax. •No bonding authority available.
TENNESSEE	•<u>Higher Education Commission</u>. -Policy planning authority for PHE. -Some PHE involvement in planning.	•<u>Student Assistance Awards</u>, max. \$1,290, PHE 46.8% TAD, need-based.² •Merit programs available to eligible PHE students.	•<u>Contract Educational Programs</u> (PHE and public; to provide programs and services not necessarily provided by the state; competitive; annual contracts); state-generated funds.	None	•PHE exempt from property and sales tax on ed-related items. •No bonding authority available.
TEXAS	•<u>Texas Higher Education Coordinating Board</u>. -No statutory planning authority for PHE. -Some PHE involvement in planning.	•<u>Tuition Equalization Grants</u>, (need-based), max. \$1,900, PHE 100% TAD.^{2,8} •<u>State Work Study Program</u> available for eligible PHE students.	•<u>Advanced Technology Program</u> (PHE and public; to promote economic development in the state; competitive-basis); state-generated funds.	None	•PHE exempt from property and sales tax on ed-related items. •Bonding authority available for capital construction and equipment.
UTAH	•<u>State Board of Regents</u>. -Statutory planning authority for PHE. -Occasional PHE involvement in planning.	•<u>Incentive Grants</u>, max. \$2,500, PHE 2% TAD, need-based.²	None	None	•PHE exempt from property and sales tax on ed-related items. •No bonding authority available.

State	Recognition of Private Higher Education in State Planning • PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy • 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education • PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy • PHE - Private Higher Education
VERMONT	• <u>Higher Education Planning Commission</u>. • Forum for communication. • PHE representation on commission. • Advisory role to governor.	• <u>Incentive Grants</u>, max. \$5,200. PHE 57.8% TAD, need-based. • <u>Part-Time Student Grant</u>, max. \$3,900. PHE 49.8% TAD, need-based. • <u>Non-Degree Student Grant Program</u>, max. \$1,000. PHE 6% TAD, need-based. • <u>Tuition Differential Grant</u>, max. \$1,200. PHE 100% TAD, need-based.⁹ • <u>State Work Study Program</u> available.	None	None	• Any college property purchased after April 1941 is subject to local property taxes according to fixed valuations set at the time of acquisition. • PHE exempt from sales tax. • Bonds--<u>Vermont Education and Health Buildings Finance Agency</u>: conduit for tax exempt bonding at market rates.
VIRGINIA	• <u>State Council of Higher Education</u>. • No statutory planning authority for PHE. • Some PHE involvement in planning.	• <u>College Scholarship Assistance Program</u>, max. \$2,000. PHE 24% TAD, need-based. • <u>Tuition Assistance Grant Program</u>, (tuition equalization/flat/non-need), max. \$1,500. PHE 100% TAD.² • <u>State Work Study Program</u> available for eligible PHE students. • Merit programs available to eligible PHE students.	• <u>Contracts for Services Program</u> (PHE only; to purchase educational services from PHE institutions; competitive; time-limited contracts); state-generated funds.	None	• PHE exempt from property and sales tax. • Bonds--<u>Virginia College Building Authority</u>: buildings and equipment.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
WASHINGTON	• <u>Higher Education Coordinating Board</u> - Statutory planning authority for PHE. - Some PHE involvement in planning.	• <u>Need Grant Program</u>, max. variable grant not to exceed 15% of student's cost of attendance, PHE 12% TAD, need-based.^{4,10} • <u>State Work Study Program</u> available for eligible PHE students. • Merit programs available for eligible PHE students.	• <u>Displaced Homemaker Program</u> (PHE and public; state contracts with institutions to provide educational programs and centers for displaced homemakers); state-generated funds.	None	• PHE exempt from property taxes. • PHE must pay sales tax. • Bonds - <u>Washington Higher Education Facilities Authority</u>; capital construction.
WEST VIRGINIA	• <u>Board of Directors, State College System</u> - Statutory planning authority for PHE. - Extensive PHE involvement in planning.	• <u>Higher Education Grant Program</u>, max. \$1,640, PHE 22.8% TAD, merit- and need-based.²	None	None	• PHE exempt from property tax on ed-related items. • PHE exempt from sales tax. • No bonding authority available.

State	Recognition of Private Higher Education in State Planning * PHE - Private Higher Education	Inclusion of Private Higher Education in Student Subsidy Policy * 1989 Dollars ** TAD - Total Award Dollars	Specific Purpose Grants and Contracts to Private Higher Education * PHE - Private Higher Education	General Purpose Direct Grants	Tax Policy * PHE - Private Higher Education
WISCONSIN	•<u>Board of Regents, University of Wisconsin System.</u> •No statutory planning authority for PHE. •Some PHE involvement in planning.	•<u>Higher Education Grants</u>, max. \$1,800, PHE 0% TAD, need-based. •<u>Tuition Grant Program</u>, (tuition equalization/need-based), max. \$2,172, PHE 100% TAD.⁴ •Merit and other targeted programs available to eligible PHE students.	•<u>Medical Education Contract</u> (PHE only; to increase dental education opportunities by providing state financial assistance; enrollment-based; annual contracts); state-generated funds.	None	•PHE must pay property taxes when land is over 80 acres. •PHE exempt from sales tax. •<u>Bonds--Wisconsin Health and Educational Facilities Authority</u>; capital construction.
WYOMING	•<u>Board of Trustees, University of Wyoming.</u> •There are no private, non-profit institutions in Wyoming.	•<u>Incentive Grants</u>, max. \$800, PHE 0% TAD, need-based.	None	None	•Not applicable. There are no PHE institutions in Wyoming.

NOTES

1. The information in this chart was drawn from the following sources:
 - National Association of State Scholarship and Grant Programs (NASSGP) (21st Annual Survey Report), 1989-90 Academic Year.
 - *Report on State Assistance Programs*, State Association Executives Council (SAEC), February 1990.
 - Education Commission of the States' *50-State Survey of State Policies Affecting Independent Colleges and Universities*, William Zumeta, University of Washington, 1988.
2. The percentage of total award dollars (TAD) cited for this state may include both private higher education and proprietary institutions.
3. Alabama makes direct appropriations to six institutions (a total of \$2,853,374 for 1989-90). These institutions are not eligible for tuition equalization grants.
4. The percentage of total award dollars (TAD) cited for this state represents private higher education only.
5. Ninety-seven percent of the total award dollars (TAD) are for private higher education; 3% are for-profit specialized business schools (candidates for regional accreditation).
6. The grant maximum information for the State Student Incentive Grant Program and the Tuition Grant Program is correct throughout the 1989-90 school year. The Kentucky Legislature voted to increase funding for these programs starting in 1990-91.
7. While some small contracts between the state and various Kentucky private higher education institutions exist, they are not systematic or widespread.
8. Texas will begin funding its new Texas Educational Opportunities Grant Program (not included in this chart) in 1991. This need-based program will be available to both private higher education and public school students.
9. These funds are included above as part of the Incentive Grant Program.
10. The grant maximum for the Need Grant Program is capped at public research university costs.

Appendix D:

Summary of Previous Reports on State Policy and Private Higher Education

1. The Carnegie Council on Policy Studies in Higher Education, *The States and Private Higher Education: Problems and Policies in a New Era*. (San Francisco: Jossey-Bass Publishers, 1977), 84 pp.

The report addresses the public policy and financial responsibilities of the states toward undergraduate education within non-profit private institutions of higher education. The report explores the precarious economic position of many private institutions in the 1970s, evaluates federal and state programs undertaken during this period and makes specific recommendations for future action.

Generally, the council addressed the economic position of the private sector, the major state programs in place to support private education and special concerns and attitudes regarding the impact of state support on both public and private institutions. The major points in the report were:

— The private sector should be valued by states for its independent governance, diversity, high standards of academic freedom, edu-

cational access for low-income students, focus on liberal learning, competition with and potential tax savings to the public sector.

— The public sector should provide policy and financial assistance in ways that encourage balanced competition and preserve the private sector's independence. The council opposed income tax credits and deductions as regressive, discouraged "bailing out" individual institutions as disruptive to competitive forces and supported coordination of federal and state government policies toward higher education.

— Private institutions should be fully involved in all state planning and coordinating efforts.

— State financial aid programs should be tailored to fit local conditions and strive to provide equality of opportunity, including choice of institutions (in- and out-of-state), through programs such as need-based student aid, tuition-offset grants, contracts for services, categorical grants and direct institutional grants. States must recognize that such different types of support may have very different consequences.

— Because of declines in population and enrollment, private-sector dependence on tuition and an increase in the tuition gap between public and private institutions, the next decade will see increasing pressure for scarce resources. Public-sector support may include the absorption of some venerable private institutions into the public sector, allow their demise or assist some of them in becoming more distinctive through careful coordination of academic programs or new construction.

The major recommendations of the report were:

— States should preserve and strengthen private higher education in ways that protect the traditional autonomy of private institutions and should not cause significant disadvantage to public institutions.

— Private institutions should continue to plan ahead to improve their economic situations and minimize their dependency on government.

— The federal government should continue to expand and enhance the federal student financial aid programs to become the major vehicles of assistance for needy students to meet both noninstructional and instructional

costs. In the national interest, the federal government has a special financial responsibility to increase support to research universities.

— State governments should aggressively pursue the development of long-range policies for private higher education.

— Financial aid to students should be the primary vehicle for channeling state funds into private institutions.

— Need-based state student-aid programs should be adequately funded to allow students genuine choice, provide adequately for both noninstructional and instructional cost, provide for a maximum tuition grant that is the same or higher than the federal State Student Incentive Grant (SSIG) program, and support student work-study and loan programs.

— State programs of support should give consideration to the possibility of direct institutional grants, incentive grants, state contracts and cost-of-education grants to institutions.

— State student aid programs should allow but be neutral in their effects on the interstate flow of students.

— Private colleges and universities should be exempt from property, sales and other state and local taxes.

— Public institutions should consider the potential effect on the private sector before expanding their institutions or programs.

— Private colleges and universities should be fully represented in all state coordinating mechanisms.

The 12 council members included:

Clark Kerr, chairman, Carnegie Council on Policies Studies in Higher Education

Nolen M. Ellison, president, Cuyahoga Community College

E.K. Fretwell Jr., president, State University of New York College at Buffalo

Philip R. Lee, professor of social medicine and director, Health Policy Program, University of California, San Francisco

Margaret L. A. Mac Vicar, associate professor of physics, Massachusetts Institute of Technology

Rosemary Park, professor of education emeritus, University of California, Los Angeles

James A. Perkins, chairman of the board, International Council for Educational Development

Alan Pifer, president, The Carnegie Foundation for the Advancement of Teaching

Joseph B. Platt, president, Claremont University Center

Lois D. Rice, vice president, College Entrance Examination Board

William M. Roth, trustee, Carnegie Institute, Washington, D.C.

Stephen H. Spurr, professor, LBJ School of Public Affairs, University of Texas

2. Task Force on State Policy and Independent Higher Education, *Final Report and Recommendations*. Denver: Education Commission of the States, June 1977, 52 pp.

In spring 1976, an 11-member task force, chosen from both the private and public higher education sectors, was appointed to define the role of the independent sector in the total state system of postsecondary education for the 1980s.

The task force was driven by several concerns: the continued ability of states to offer high-quality education opportunities at reasonable cost; the need to develop an effective pluralistic system of higher education that includes the independent sector as integral to the total resources of the state; and the recognition that there is no single solution equally applicable in all states.

The task force focused on constructing a framework within which state policy makers could formulate policies according to an individual state's needs and priorities. The major findings of the report were:

- Declines in the college-age population, limited financial resources and other new challenges may increase tensions between public and private institutions competing for scarce resources.

- Now that postsecondary education as a whole is not expanding, public and independent institutions can no longer afford to develop apart from each other.

Each state needs to understand the independent sector, such as educational access to low-income students, the high proportion of degrees granted, value orientation of denominational affiliations, contribution to research and graduate training, the diversity that specialized mission and clienteles add to the higher education system, independent governance and the availability of the benefits of the independent sector's resources at a fraction of the cost in tax dollars.

The major recommendations of the task force were:

- Each state should construct a specific policy regarding the independent colleges and universities that serve its citizens. States should develop such policy in light of clear state purposes and a detailed understanding of the role and condition of independent institutions.

- Statewide planning should include the full participation of the independent sector.

- Depending on the state's goals for postsecondary education, the state's planning approach will favor one of two alternatives: a student-centered approach or an institution-centered approach.

- State policy makers should be sensitive to the concessions to private institutional autonomy that are made necessary under conditions of state support.

- States should consider appropriate programs that utilize the resources of the independent sector by providing support to independent institutions or their students.

— States should first give consideration to the development of adequately funded need-based student grant programs to allow real choice among institutions.

— State programs of support should give consideration to the possibility of direct institutional grants, tuition equalization grants, contracts and cost-of-education grants to institutions.

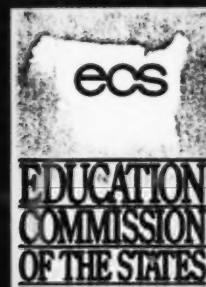
— Programs of support to the independent sector should be continually monitored and assessed for effectiveness.

— The responsibility for monitoring the independent sector, in a program of state support of independent institutions, should rest primarily with the state.

Task force participants included:

Otis R. Bowen, chairman, governor of Indiana
Richard C. Hawk, vice chairman, president,
Higher Education Assistance Foundation,
Minnesota
Martha E. Church, president, Hood College,
Maryland
Harold L. Enarson, president, Ohio State
University
John Gaffney, executive director, Association
of Independent Colleges and Universities of
Michigan

Joseph C. Harder, state senator, majority leader
and chairman, Education Committee, Kansas
T. Edward Hollander, chancellor, Board of
Higher Education, New Jersey
Vera Katz, state representative, Oregon
Dan M. Martin, president, Associated Colleges
of the Midwest, and vice chairman, Illinois
Board of Regents
The Reverend J. Donald Monan, president,
Boston College, Massachusetts
Morgan Odell, executive director, Association
of Independent California Colleges and
Universities
Kenneth R. Reeher, executive director, Pennsylv-
ania Higher Education Assistance Agency
Lois Rice, vice president, College Entrance
Examination Board (CEEB) and director,
Washington Office of CEEB, Washington, D.C.
Cameron West, president, North Carolina
Association of Independent Colleges and
Universities
Richard W. Jonsen, project director, Education
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